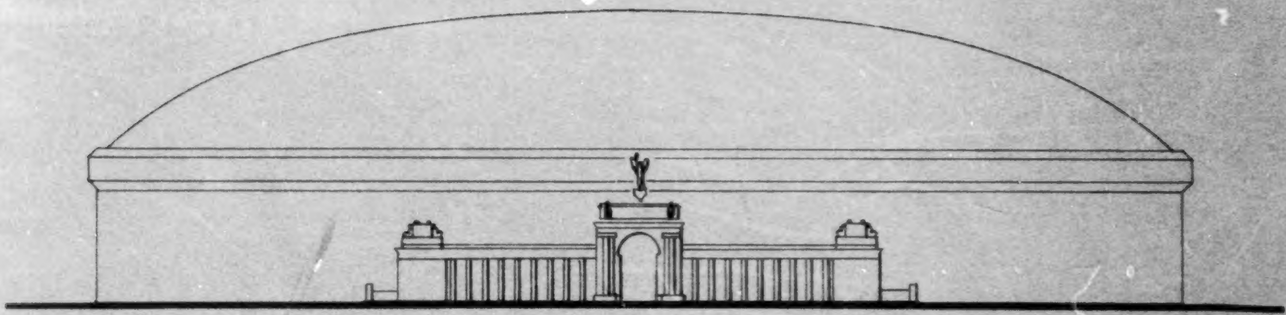
MUNICIPAL REFERENCE
AUG 9 1983

FEASIBILITY STUDY
EXHIBITION PLACE



Currie Coopers & Lybrand Ltd.
Management Consultants

Arcop·Thom
Architects and Planners

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METROPOLITAN
TORONTO
CENTRAL
LIBRARY
Municipal Reference

EXHIBITION PLACE TASK FORCE

FEASIBILITY STUDY AT EXHIBITION PLACE

July 27, 1983

EXECUTIVE SUMMARY

This is a summary of a report on the feasibility of a world-class international exhibition and covered sports complex. Included in the report is an analysis of the market for the facility, proposed plans for the facility and an analysis of the financial aspects and economic benefits of the project. This report forms a major part of the studies related to the examination of the Exhibition Place Concept Plan as approved by Metro Council in April, 1982.

The tradition of exhibitions and sports events on the Toronto waterfront goes back to 1879 when the Industrial Exhibition Association held its first annual exhibition. The continuation of the use of this site for exhibition and competition has made it a special location for people in Toronto, Ontario and Canada. The tradition was recognized in the Exhibition Place Concept Plan through the inclusion of expanded exhibition facilities and a covered sports complex as a major element in the future of Exhibition Place.

A. A UNIQUE DEVELOPMENT FOR CANADA

The proposed development for Exhibition Place satisfies the fundamental objectives of enhancing the site as an exhibition and sports centre of international calibre and of the continued utilization of a maximum number of existing buildings. The study analysis undertaken demonstrated that an opportunity exists to create a unique, integrated, stadium/exhibition facility which provides many cost effective and other advantages, some of which are:

- Both a stadium and exhibition centre require good transportation systems and on-site fast food outlets, restaurants, rest rooms,

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parking, public access, crowd control devices, etc. and joint utilization can be achieved with an integrated complex.

- The concourse levels of a stadium as well as the large column free area of the field can be used as a unique exhibition hall.
- The utilization of the sports facility and urban infrastructure will be increased since the peak seasons for exhibitions generally coincide with the periods of low demand for the sports events in the stadium.
- The unique image of a domed stadium will enhance the profile and thereby potential attractiveness and saleability of the exhibition centre.
- The physical integration of the stadium and exhibition facilities will be more economical than if the facilities were separated.
- The activity level of the facility as a whole will be increased, thereby augmenting the attractiveness and impact of Exhibition Place, Ontario Place, the Convention Centre and the waterfront in general.

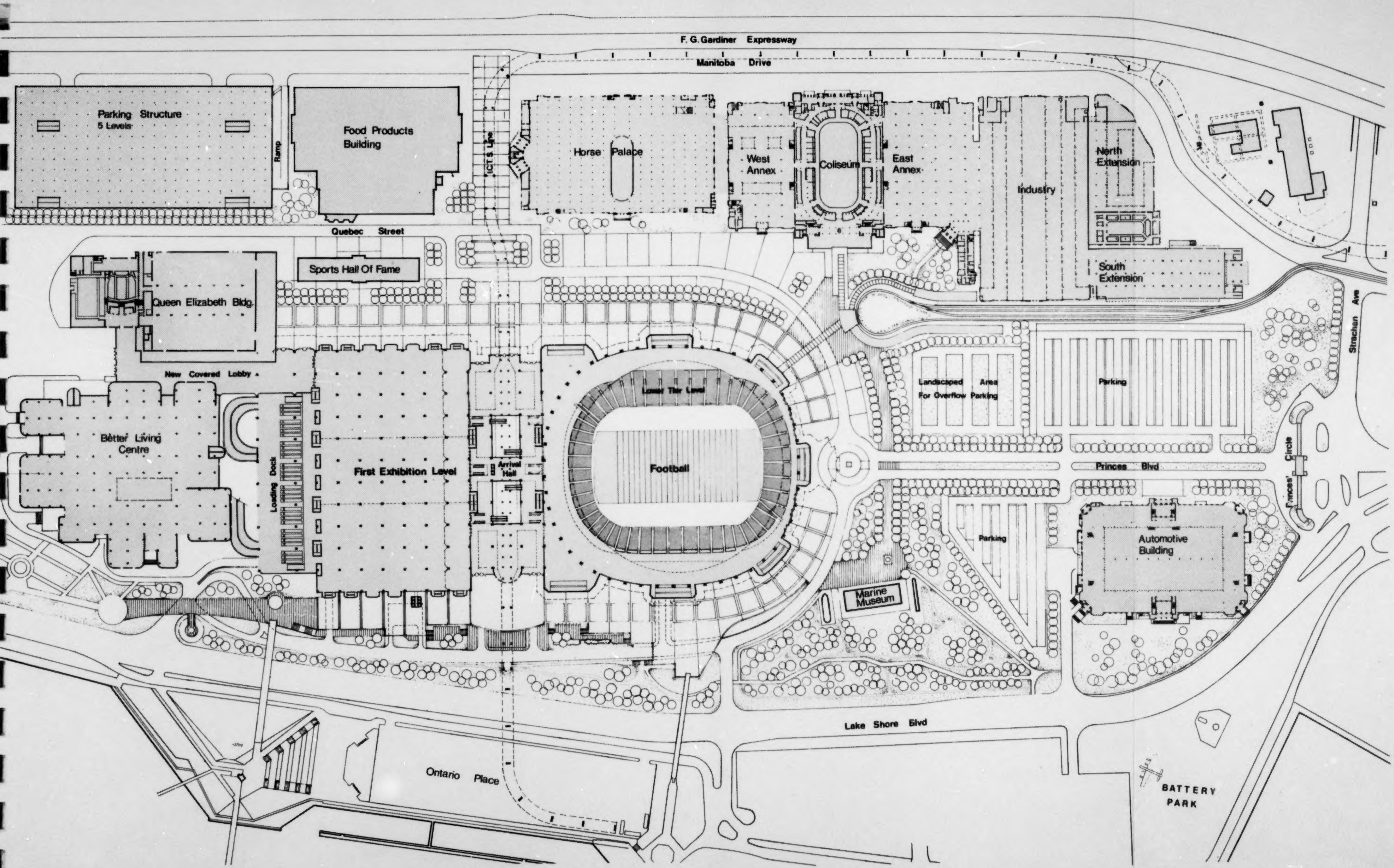
The above advantages have been realized with the design presented on the attached drawings which encompass the following:

- A new integrated stadium/exhibition complex located at the geographic centre of Exhibition Place and incorporating 600,000 square feet (55,742 m 2) of first class exhibition halls, a 65,000 seat covered stadium, a 1,900 car parking garage, an Arrivals Hall/Galleria, and the option for a 300 to 500 room hotel.

  This international exhibition centre is a facility capable of effectively displaying a wide range of manufactured products; from toys to printing presses or from fashion to boats. It is different but complementary to a Convention Centre which is oriented to people and primarily hosts meetings, lectures, dinners, parties, conferences, etc. The two main types of exhibitions that would occur are "A consumer show" that is open to the public and draws large crowds (± 100,000 visitors/day) such as the Sportsman's Show, Boat Show, Home Show, etc. and "a trade show" that is not generally open to the public and is meant to attract buyers in a particular industry from all over the world.

The exhibition space would include a number of features. From any point on the exhibit floor an exhibition would have available telephone, gas, air, water, drainage and electricity. A good facility requires large column free areas and at least thirty feet from floor to ceiling in order to be flexible enough to accommodate the wide range of items to be displayed. Ideally there should be one hall that is column free and with a virtually unlimited height; a space that could effectively display boats, agricultural equipment or large industrial equipment.

The stadium size at 65,000 seats has been established in order to provide for a desirable ±40,000 seats between the foul poles for baseball and ±35,000 seats between the goal lines for football (compared to the existing 27,000 and 25,000 seats respectively). In addition to its use for professional sports, the stadium would accommodate exhibitions, amateur sports, musical events, CNE shows, religious rallies, and moto-cross events, among others.


F. G. Gardiner Expressway
Manitoba Drive
Parking Structure
5 Levels
Food Products Building
Ramp
ICT S Line
Horse Palace
West Annex
Coliseum
East Annex
Industry
North Extension
South Extension
Quebec Street
Sports Hall Of Fame
Queen Elizabeth Bldg.
New Covered Lobby
Better Living Centre
Loading Dock
First Exhibition Level
Arrival Hall
Lower Tier Level
Football
Landscaped Area For Overflow Parking
Parking
Princes Blvd
Princes' Circle
Strachan Ave
Parking
Automotive Building
Marine Museum
Lake Shore Blvd
Ontario Place
BATTERY PARK

EXHIBI
PLACE
Toronto

Trade Fair
Sports Co
Feasibility

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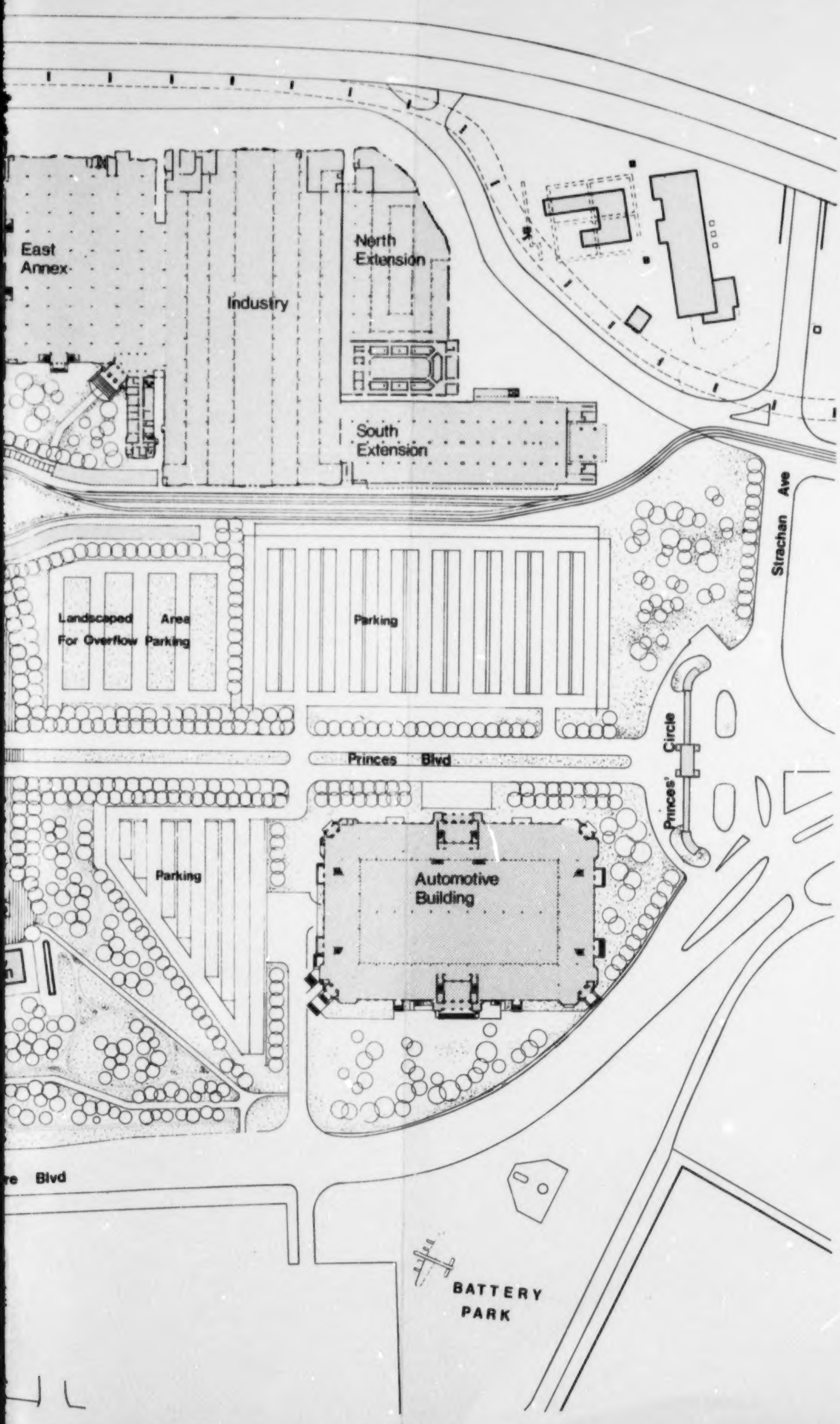
Groun
Level
Elevation

Exhibit 31

EXHIBITION PLACE
Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study


East Annex
Industry
North Extension
South Extension
Strachan Ave
Landscaped Area For Overflow Parking
Parking
Princes Blvd
Princes' Circle
Parking
Automotive Building
re Blvd
BATTERY PARK

arcop·thom
architects planners

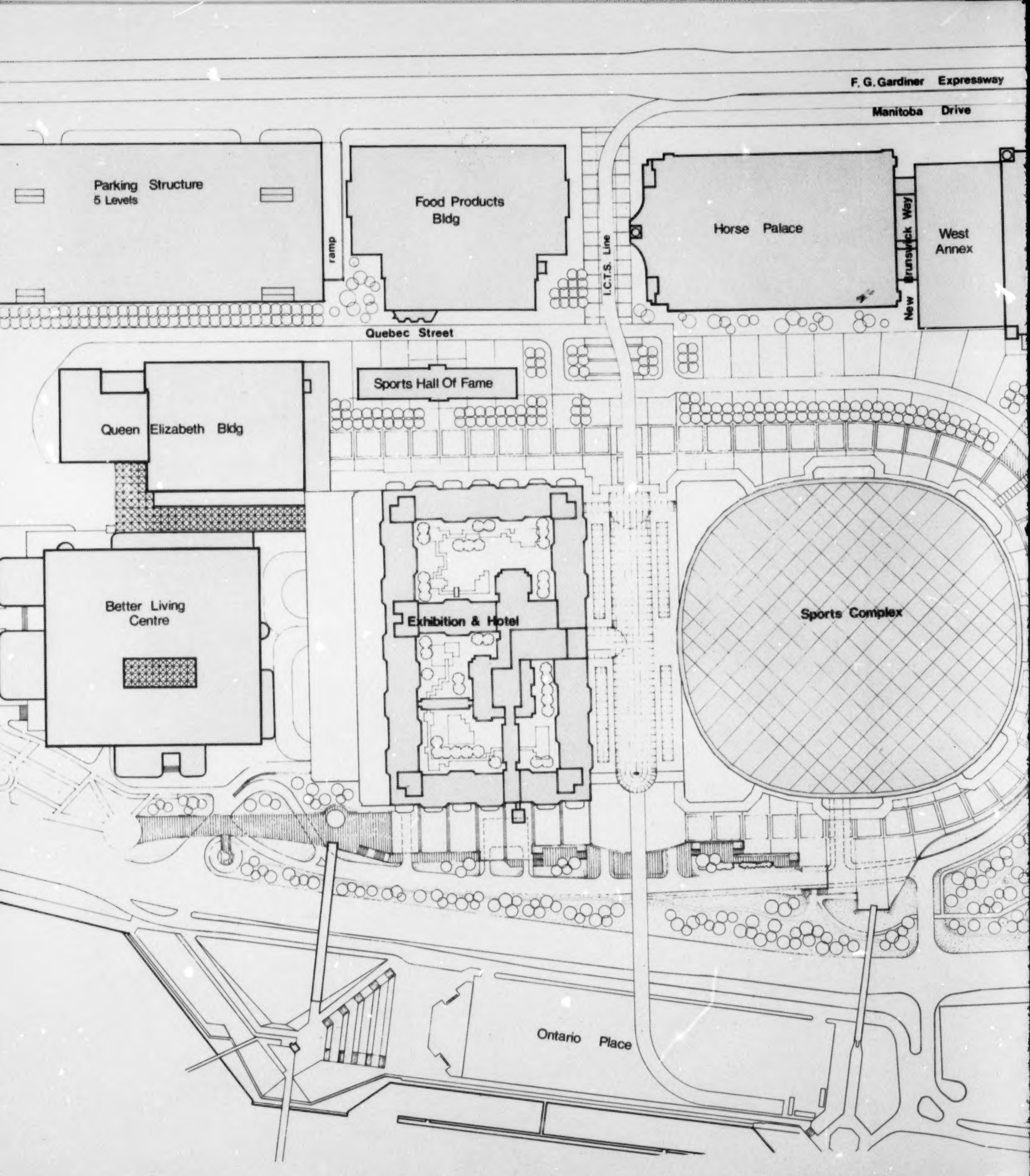
Currie, Coopers & Lybrand
Management Consultants

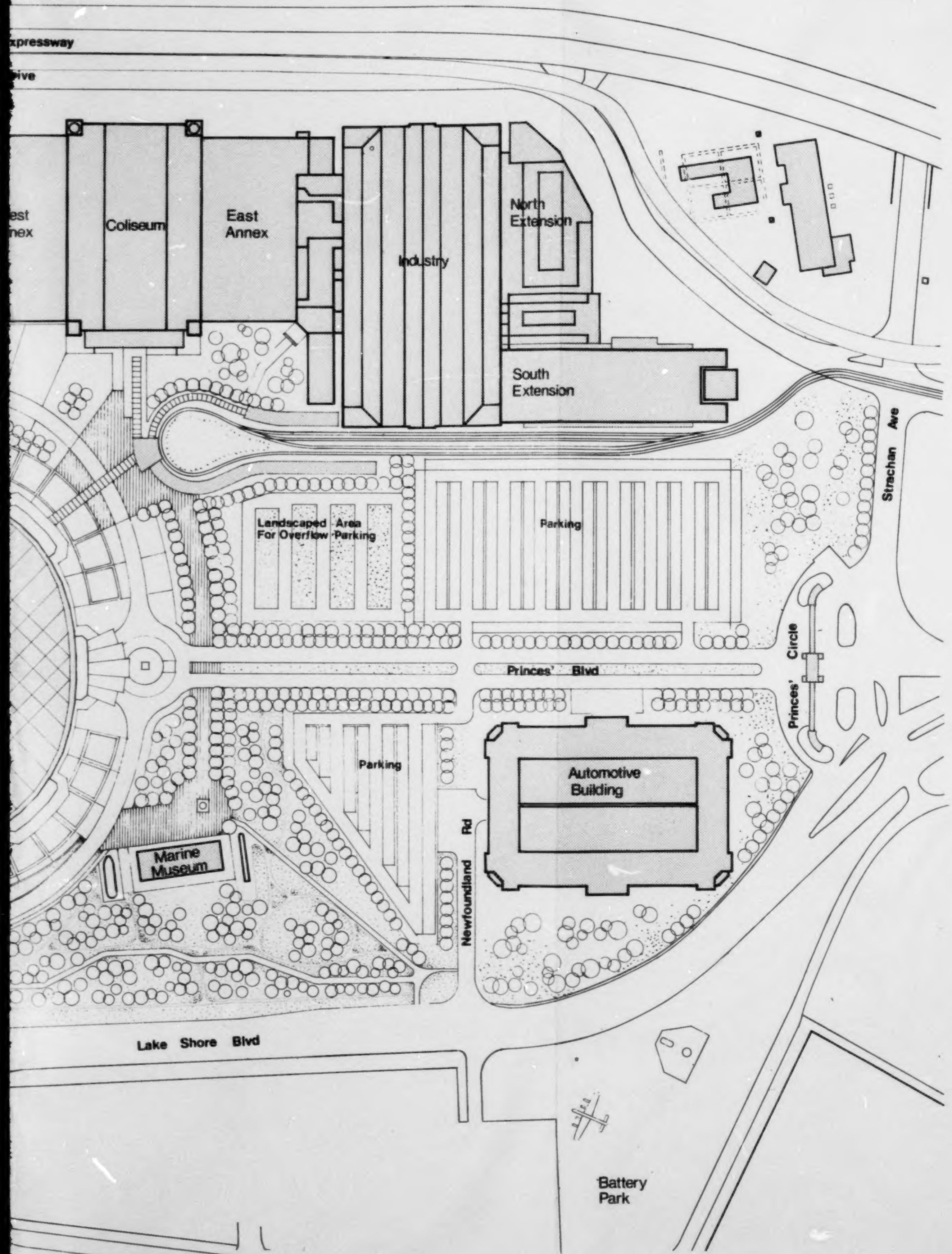
Heery Fabrap
architects engineers planners

Ground Level

Elevation +272'

Exhibit 31


F. G. Gardiner Expressway
Manitoba Drive
Parking Structure
5 Levels
ramp
Food Products
Bldg
I.C.T.S. Line
Horse Palace
New Brunswick Way
West
Annex
Quebec Street
Sports Hall Of Fame
Queen Elizabeth Bldg
Better Living
Centre
Exhibition & Hotel
Sports Complex
Ontario Place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Industry
North
Extension
South
Extension
Landscaped Area
For Overflow Parking
Parking
Strachan Ave
Princes' Circle
Princes' Blvd
Parking
Automotive
Building
Newfoundland Rd
Marine
Museum
Lake Shore Blvd
Battery
Park

EXHIBITION PLACE

Toronto Ontario

Trade Fair /
Sports Complex
Feasibility Study

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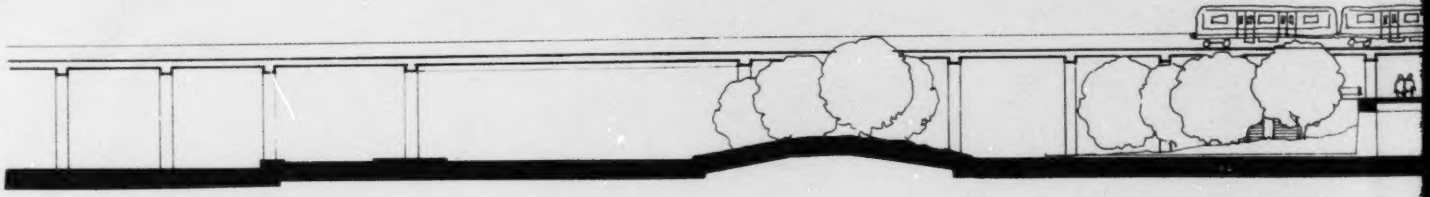
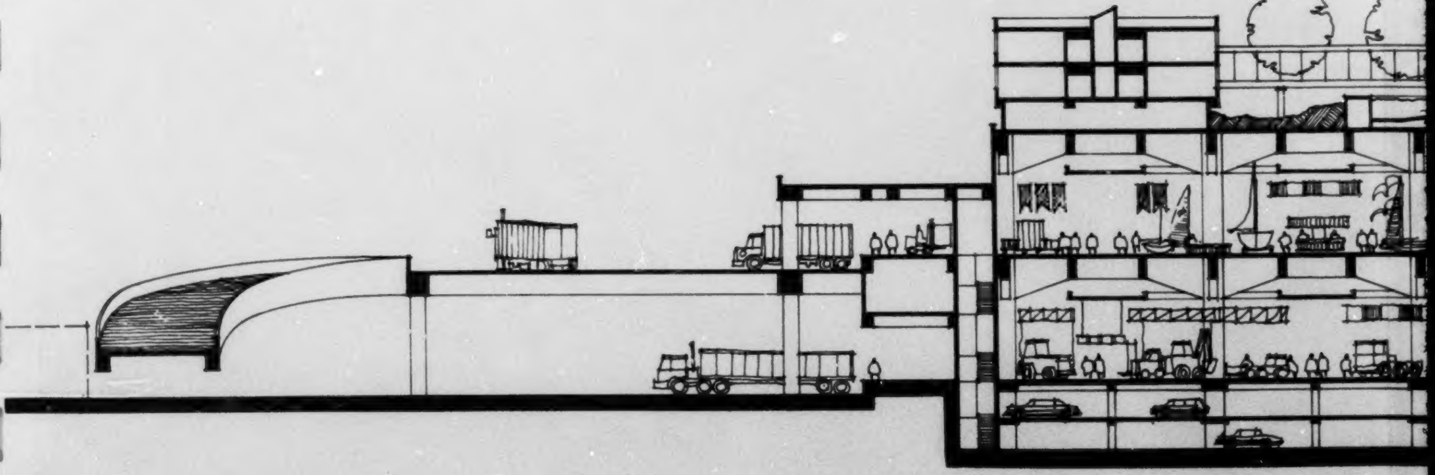
Management Consultants

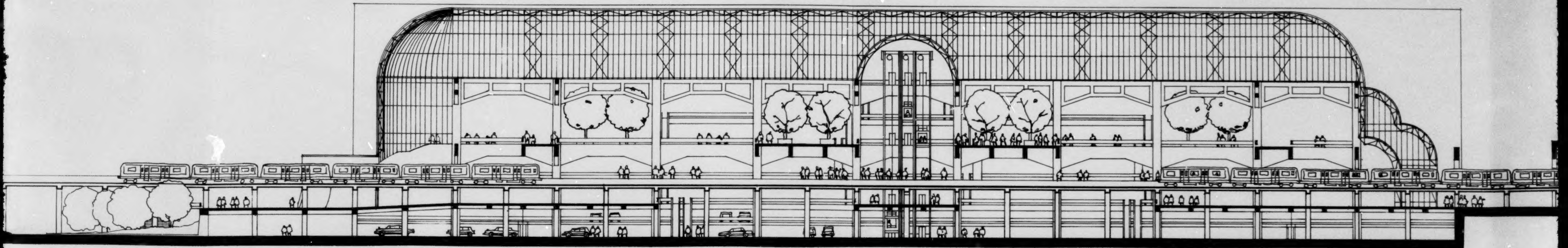
Heery Fabrap
architects engineers planners

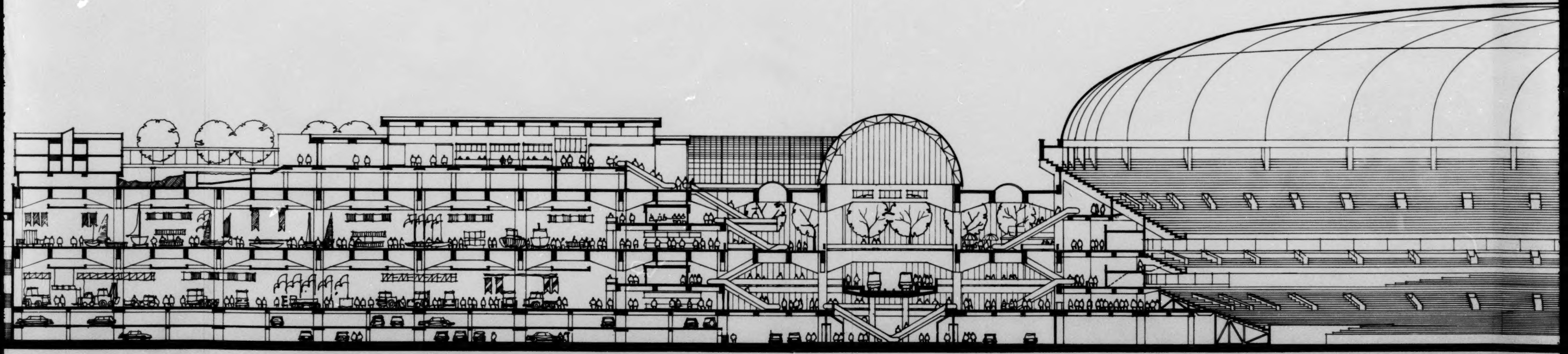
Roof Level

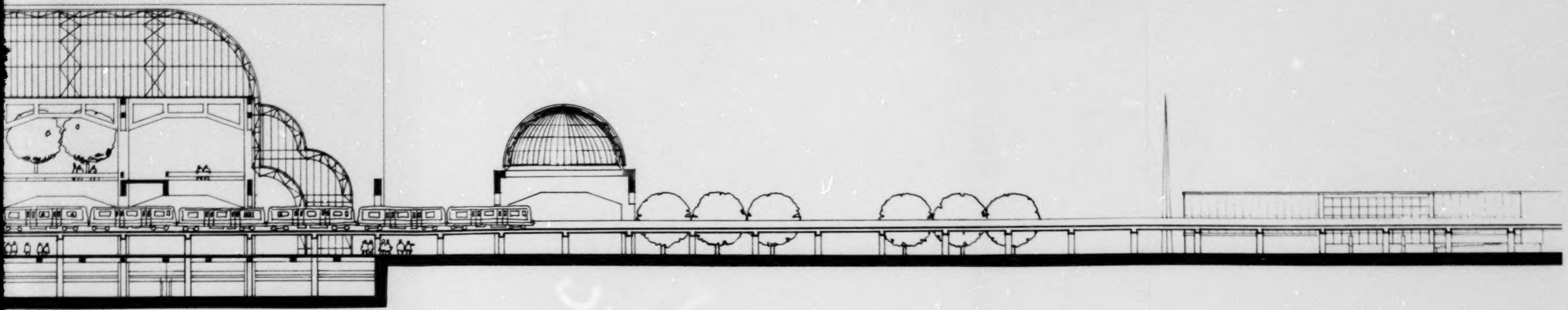
Exhibit 34

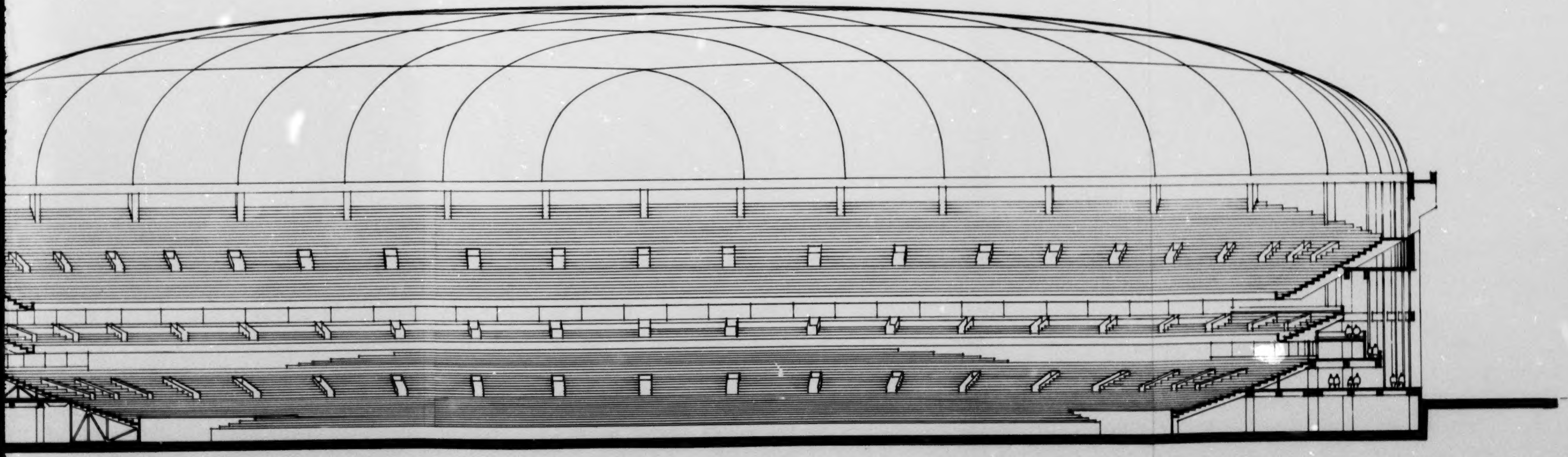












EXHIBITION PLACE
Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study

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Management Consultants

Heery Fabrap
architects engineers planners

Cross Sections

Exhibit 35

The design of the roof of the stadium is of particular importance as it is both a major capital cost component and an area where substantial problems have occurred in other stadiums. A cable and fabric roof supported by overall building pressurization has been the basis of the proposed design because of the availability of construction performance and cost data on the system. However, there are several alternative structural technologies and roofing systems which have the potential to reduce operating problems and costs, and may, as well, provide an affordable retractable roof. It is, therefore, recommended that extensive analysis be completed prior to the final selection of a roof structure and system.

As the provision for ongoing professional sports events is mandatory, the new stadium would be to the east of the existing stadium and construction phasing would allow this latter facility to continue operations until the new stadium is completed.

- The Arrivals Hall Galleria of ± 200,000 square feet will be the main receiving area for visitors to the complex and will, as well, accommodate restaurants, washrooms, information kiosks, shops and ancillary display areas.

- The rehabilitation of the Better Living Centre and the Queen Elizabeth Building into first class exhibition space and the physical integration with the new stadium/exhibition complex. These structures, combined with the new exhibition halls and the covered stadium, will provide a total of almost 1.1 million square feet (102,193 m 2) of heated, integrated exhibition space. Truck access to all the exhibition floors has been designed to minimize move-in and move-out times.

- Renovation of the Coliseum Complex, Industry Building, and North and South Extensions to upgrade this space for the Royal

Agricultural Winter Fair and other agricultural shows, and for ancillary exhibition space for large trade shows. This complex of 420,000 square feet (39,019 m 2) will be connected to the stadium/exhibition complex by a pedestrian walkway to create a total of approximately 1.5 million square feet (139,355 m 2) of exhibition space at Exhibition Place.

- Rehabilitation of the landscaping and the pedestrian areas of the site with a consistent and coherent use of lighting, street furniture, building materials and plant stock to improve and unify the appearance and image of Exhibition Place. With the consolidation of the exhibition/stadium facilities and the virtual building arrangement of parking, exhibition halls, and hotel, landscaped open space is maximized and an opportunity is provided to create a more "pedestrian-oriented" environment.

- An on-site network of vehicular and pedestrian routes to reduce vehicular-pedestrian conflicts and organize traffic flow into a manageable arrangement. Traffic from adjacent arterial roads will primarily gain access to loading and parking facilities on the site via a north service road (Manitoba Drive) and a south service road that parallels Lakeshore Boulevard, thereby reducing on-site traffic. The total number of on-site parking spaces (5,850) will not be increased due to capacity constraints on the external road system. However, the parking spaces will be re-distributed with the new 2,600 parking garage north of the Queen Eliazbeth Building (Q.E.B.), the provision of 1,900 spaces under the new exhibition centre and the retention of 1,000 spaces north and west of the Automotive Building. The parking facilities have been located as close as possible to the exhibition space to satisfy the requirements of exhibition organizers. A ceremonial access to the covered stadium will be provided at the west end of Princes' Boulevard. A major taxi/shuttle bus drop-off area will be provided within the stadium/exhibition complex.

- Public transit improvements including a new rapid transit line an upgraded GO/VIA Station, an improved Bathurst streetcar terminus and a new express/charter bus facility below the Gardiner Expressway.

- Although not shown on the attached drawings, it is essential to provide an off-site truck marshalling area of approximately five acres. The provision of this yard has been included in the cost estimates.

B. METROPOLITAN TORONTO AS A LOCATION

The demand exists for better exhibition and sports facilities in Metropolitan Toronto. The key reasons why this demand exists and why Metropolitan Toronto is a good location for new expanded exhibition facilities and a covered stadium are:

- Metropolitan Toronto is highly accessible by air, with 23 airlines serving Toronto International Airport.

- Transportation systems from the airport to the downtown and near-downtown areas are excellent.

- Approximately 50% of the Canadian and U.S. population lives within a one day's drive from Metro.

- Hotel and related facilities are of high quality and, by international standards, are moderately priced. About 20,000 first-class hotel rooms are available in Metro.

- Metropolitan Toronto is the financial and manufacturing centre of Canada, providing a diverse range of business-related services.

- Metropolitan Toronto is the number one exhibition, meeting, and convention location in Canada, and the sixth largest in North America. Currently, about 140 exhibitions and 700 meetings and conventions (or about 31% of all exhibitions and 18% of all meetings and conventions in Canada) are held in Metro every year. These figures do not include the numerous intra-corporate exhibitions and meetings.

- Metropolitan Toronto is a safe, clean city where a covered stadium will complement its many first class facilities. Well-known attractions such as the CN Tower, Royal Ontario Museum, Ontario Art Gallery, Science Centre, Metropolitan Zoo, Black Creek Village, and the downtown shopping areas are some of the facilities that create a major visitor destination city and that encourage visitors to extend their stay.

- With its size, environment, tourism and visitor facilities, transportation network, and convention and exhibition facilities, Metropolitan Toronto has the 'critical mass' which exhibition planners are looking for when selecting an exhibition location. A unique exhibition/stadium complex would, therefore, favourably position the region, the province and the country in the international market place.

- Metropolitan Toronto already has Exhibition Place, which is the site of the world's largest annual fair, the CNE, and which has substantial existing exhibition facilities as a basis for further development.

- Many major sports events occur on weekends when useage drops at hotels, restaurants and other facilities in Metropolitan Toronto. The utilization of these facilities will be increased by building the stadium in Metropolitan Toronto.

- Metropolitan Toronto presently has three major professional sports franchises which use Exhibition Place Stadium; the Toronto Argonauts, the Toronto Blue Jays and the Toronto Blizzard. The construction of a covered stadium in Metro will retain the identity of these teams with Metropolitan Toronto.

C. EXHIBITION PLACE IS AN APPROPRIATE SITE

Exhibition Place was analyzed with respect to its physical characteristics and locational merits and it was concluded that it is an appropriate site for an integrated stadium/exhibition development for the following reasons:

- The site can be linked to the complementary facilities of the nearby Metropolitan Toronto Convention Centre via a rapid transit line. As exhibition organizers often require ancillary meeting space and conventions need ancillary exhibition space the use of both developments will be maximized.

- The site already operates and is well known as a place for major exhibitions and sports events, thus providing a basis for the accommodation of new facilities and for the realization of revenues and economic benefits in a short period of time.

- The site is an appealing waterfront location for sports, exhibitions and other activities which will support and complement developments in adjacent areas of the Central Toronto waterfront.

- The unique space, image and high profile provided by a domed stadium at this site will enhance the attractiveness and saleability of existing and new exhibition facilities.

- The site is close to the major business, entertainment, cultural and hotel facilities of downtown Toronto. This is important to exhibition organizers and visitors.

- The proximity of the site to downtown and the nature of the proposed facilities will create a private sector investment opportunity for such developments as an on-site hotel and trade-mart.

- The site is already owned by Metro and the proposal presented in this report allows this under-utilized, centrally located site of 191 acres (77.3 hectares) to be used more effectively.

- New facilities of this nature will better accommodate the Royal Agricultural Winter Fair and the Canadian National Exhibition and the attractiveness of these events will be enhanced.

- With careful design, the site is large enough to accommodate an integrated stadium/exhibition complex.

D. TRANSPORTATION IMPROVEMENTS ARE REQUIRED

The new stadium will have approximately 10,000 more seats than the existing stands and, by 1991, the amount of exhibition space at Exhibition Place will have doubled. As the existing transportation capacity to and from the site is not considered to be adequate for the present facilities and Ontario Place, it is obvious that substantial improvements are required with the construction of new facilities at Exhibition Place. Information and recommendations from the Central Waterfront Transportation Study have formed the basis of the following proposed improvements.

The present number of parking spaces (5,850) on site will remain. To reduce congestion, however, the following on-site vehicular improvements are proposed:

- Manitoba Drive will be widened to four lanes and connected to Front Street on the east and Dufferin Street and Lakeshore Boulevard on the west.

- A new south service road will be built to serve the stadium/exhibition complex.

- A 2,600 car parking structure will be built north of the Q.E.B. and a 1,900 car garage is to be below the new exhibition halls.

- Automated signage will be introduced to permit improved management of traffic (i.e. the reversing of lanes, etc.).

The proposed public transit improvements to the site and their relevant capacities as described in the Central Waterfront Transportation Study are as follows:

- A new I.C.T.S. line to Union Station with a peak hour capacity of 20,000 people.

- An improved GO/VIA station to serve 10,000 people per hour.

- An improved Dufferin bus service into Exhibition Place to handle 5,000 people per hour.

- An upgraded Bathurst streetcar station to serve 5,000 people per hour.

- A new express/charter bus terminal below the Gardiner to handle 8,000 people per hour.

The Central Waterfront Transportation Study indicates that the above improvements will allow 48,000 people to enter or depart via public transit, 12,500 by private automobile and 5,000 people by miscellaneous modes within a peak hour.

Even with the above improvements, however, it will be essential to coordinate events to reduce the peak hour demands on the transportation system and to develop a marketing program to encourage the use of public transit. An aggressive marketing program will also advise visitors about peripheral and downtown parking areas, adjacent to the public transit routes serving Exhibition Place.

The number of ancillary attractions at Ontario Place and Exhibition Place will provide the opportunity for people to remain on-site following a major event, thereby reducing congestion on the transportation system. As well, after game entertainment and interviews on the new television-like scoreboard will be programmed to encourage spectators to remain longer in the stadium.

It is recognized at all major stadia that it is impractical for cost reasons alone to provide a transportation system whereby up to 70,000 people depart in less than one hour. It is generally accepted that, under peak conditions, a one-hour discharge time is generally acceptable. In this regard, the above improvements will provide adequate transportation capacity for most of the event days at Exhibition Place and a more manageable situation for a small number of days when multiple major events occur. Because of the requirement for transportation improvements, it is essential that their construction be co-ordinated with the development of the new Exhibition Place facilities.

E. EXHIBITION MARKET DEMAND IS LARGE

Exhibition Place currently attracts about 49 exhibitions outside the CNE and Royal Agricultural Winter Fair seasons. This accounts for 10.7% of the 460 exhibitions held in Canada in 1983. In addition, approximately 43 other events such as concerts and auctions are being held in the exhibition buildings at Exhibition Place.

Market demand for exhibition space is growing. The reasons for this growth include the following:

- As markets for goods and services become more complex, it is increasingly difficult for sellers to know who the buyers are, and for buyers to know who the suppliers are. Exhibitions can be a more effective means of bringing sellers and potential buyers together than any other marketing medium.

- Exhibitions are an excellent means of presenting new ideas and an excellent means of providing an overview of new developments in an industry.

- Exhibitions are, for many people, an enjoyable way to learn about products, services, and new developments that interest them.

- For many companies, exhibitions are a highly cost effective means of presenting their products. Many companies which once used sales representatives exclusively are turning to exhibitions because the cost of keeping sales representatives on the road often increases disproportionately to sales.

- For many small and growing companies, exhibitions are becoming a critically important means of presenting their products.

- New shows which focus on particular specialties are being created each year.

- Successful shows in exhibition facilities in smaller centres outgrow the facilities in these cities and want to move to a larger exhibition hall in a major city.

- Exhibitions in general are becoming more important as export showcases for the goods and services produced locally, regionally and nationally.

We have estimated that the number of exhibitions held in Canada will grow, on average, by about 3.2% annually during the next decade and that the size of exhibitions will increase, on average, by 2% each year. We have also estimated that the Metropolitan Toronto area's share of the Canadian market (in terms of the number of exhibitions) will increase slightly, from 31.1% in 1983 to 33.5% in 1992, if the new exhibition facility is built. A schedule of the amount of space provided in the development proposal in order to cost-effectively satisfy market demand in each year is as follows:

Year	Heated and Covered Space Available in the Proposed Plan 000's sq. ft.	(000's m 2)
1984	770	(71.5)
1985	893	(83.0)
1986	893	(83.0)
1987	1,093	(101.5)
1988	1,093	(101.5)
1989	1,099	(102.1)
1990	1,232	(114.5)
1991	1,510	(140.3)
1992	1,510	(140.3)

In order to exploit the emerging market requirements and maximize the utilization of Exhibition Place, it is essential that an effective management and marketing organization be established to market the facility successfully on a international scale.

F. THE SPORTS AND MAJOR EVENTS MARKET DEMAND IS STRONG

The analysis of the market for a covered stadium indicated that the Metropolitan Toronto area has one of the strongest professional sports and major events markets in North America. Compared to other major league metropolitan areas, Metropolitan Toronto has a high median household income and other favourable socio-economic characteristics. The primary market area has 12.9% of the Canadian population, but accounts for $14.3 billion, or 17.1% of its disposable income.

During 1978 to 1983, paid attendance at Exhibition Stadium averaged 2.2 million people annually. Baseball, football, soccer, concerts, CNE shows and miscellaneous events were the major market segments.

Because of the often severe weather in Toronto, the existing stadium is not used at all during the four winter months and is seldom used during the "shoulder" months. Typically, the existing stadium is used about 130 days per year.

With a covered stadium, year-round use is possible. With aggressive marketing, the number of days the stadium could be used will be increased to 235-240, with a resulting attendance of 3.4 million. This attendance figure does not include visitors to exhibitions held in the stadium, because they have been included as "visitors to the exhibition facility". Also, it does not include the higher-than-normal attendance to sports events which occurs if the local teams have a winning year, and special events such as the Grey Cup.

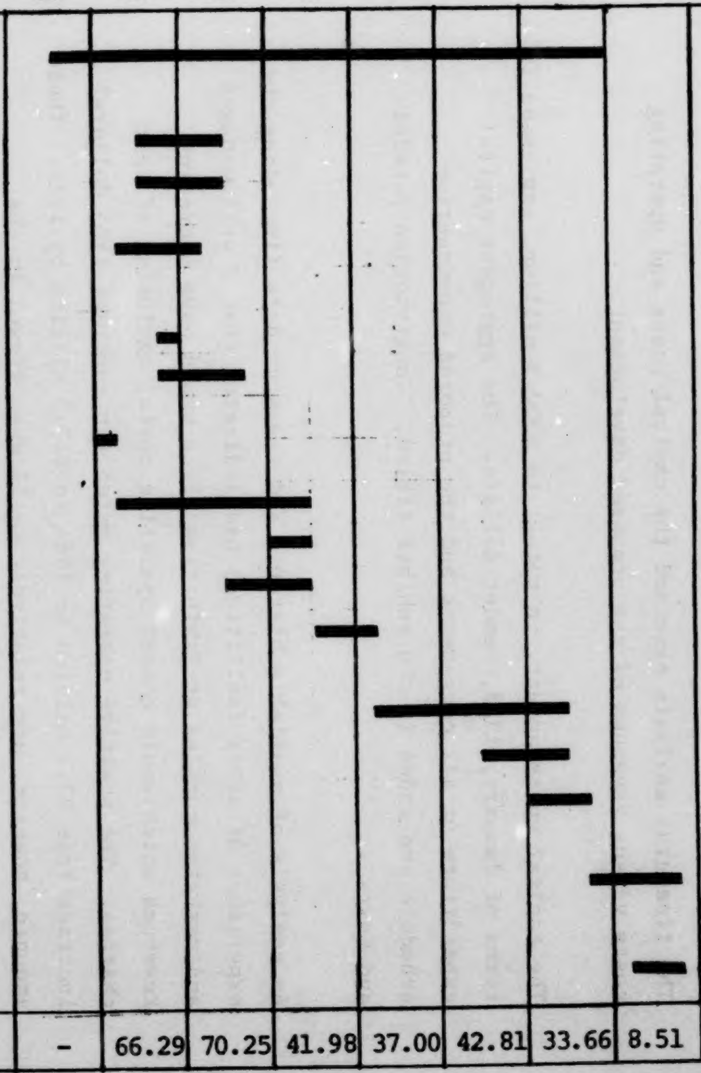
The forecast of annual attendance of 3.4 million is a conservative one which has taken account of a significant negative impact of Pay T.V. and other electronic communications technologies.

It can be argued, however, that electronic entertainment provides a different experience and will have only a minor impact on attendance. Furthermore, the attractiveness of a covered stadium in the same downtown location as the previous stadium could produce attendance figures which are in the order of 15% higher than the projections used. If this were the case, by 1992, the projections used would be low and total attendance would be higher by about 500,000 people per annum which would result in a total annual attendance of 3.9 million.

Informed opinion, both in Toronto and in markets which have covered stadia, indicated that covered stadia attract additional crowds to events and, therefore, attendance and revenue in a covered stadium would increase. The statistical analysis of other markets supported this conclusion, but lack of comparability and continuity

EXHIBITION PLACE

CONSTRUCTION SCHEDULE AND COSTS



	83	84	85	86	87	88	89	90	COST CONSTANT (1983) $ '000,000's	
Design & Permits										
Component One										
Reno. - B.L.B. & Q.E.B.									8.4	
Build. - B.L.B. & Q.E.B. Link									3.6	
Site Works - B.L.B. & Manitoba Dr. & N.E. Parking									3.0	15.0
Component Two										
Demo - West of Food Building									0.3	
Build - North Parking Garage									16.0	
Demo - Partial South Stands & Midway									1.2	
Build - Stadium									140.0	
Build - Link to Coliseum									0.9	
Site Works - N.S. & E of Stadium									3.4	
Demo - Existing Stadium									3.3	165.1
Component Three										
Build - Main Exhibition Hall									98.4	
Build - Link to Q.E.B.									1.0	
Site Works (incl. marshalling yard)									9.3	108.7
Component Four										
Reno - Annex, Coliseum, Ind. Bldg. N. & S. Extensions									11.4	
Site Works									0.3	11.7
TOTAL CAPITAL COSTS	-	66.29	70.25	41.98	37.00	42.81	33.66	8.51		300.5

Note: A number of critical assumptions and factors have been applied to produce the estimates included in this schedule. These are outlined in Sub-Section C4 of Chapter IV of the Report titled Construction Schedule and Costs.

in the data makes forecasts subject to some uncertainty. Because of this uncertainty, it was decided to adopt a conservative approach to forecasting attendance and revenues.

G. THE FINANCIAL ANALYSIS

The financial analysis examined the capital costs and operating costs versus revenues of the proposed development.

The capital costs amount, in total, to $300.5 million, expressed in terms of January, 1983, tender dollars. The aggregate capital expenditure on all components and the proposed construction schedule are shown in the exhibit titled, "Construction Schedule and Costs".

An analysis of available historic and research data (including the experience of other facilities) has indicated that a well managed and marketed complex at Exhibition Place would have operating revenues which would exceed operating costs, exclusive of debt charges. The positive operating gains (in constant 1983 dollars) increase from $2.2 million in 1984 to $17.5 million by 1994. These amounts, however, are relatively small when viewed in the perspective of total operating revenues and costs. In the exhibit, overleaf, we have provided the figures in constant 1983 dollars. In the report,we have provided the figures in current (i.e., inflated) dollars. If attendance is higher than our conservative forecast, the operating results will, of course, improve as well.

It is quite evident that the facilities will not generate adequate positive operating profit to permit service of a significant debt load. Under these conditions, government capital assistance is clearly required. When the nature and amount of this assistance has been determined, a detailed financing plan can be prepared.

SUMMARY OF NET OPERATING GAINS AND LOSSES
MEASURED IN CONSTANT 1983 DOLLARS
(in 000's)

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Exhibition Area - Existing Facilities											
Total Operating Revenues	$ 4,682	$ 4,294	$ 5,229	$ 6,031	$ 6,833	$ 7,106	$ 1,892	$ 4,552	$ 4,923	$ 4,923	$ 4,923
Total Operating Expenses	6,860	5,613	5,812	6,082	6,383	6,485	1,714	4,057	4,274	4,274	4,274
Net Operating Gain (Loss)	(2,178)	(1,319)	(583)	(51)	450	621	178	495	649	649	649
Exhibition Area - New Facilities											
Total Operating Revenues	539	2,126	2,571	2,954	3,339	3,470	11,319	10,533	11,390	11,390	11,390
Total Operating Expenses	578	2,248	2,556	2,823	3,076	3,165	10,174	9,527	10,091	10,091	10,091
Net Operating Gain (Loss)	(39)	(122)	15	131	263	305	1,145	1,006	1,299	1,299	1,299
Stadium Operations											
Total Operating Revenues	3,905	3,949	4,066	8,998	9,605	9,901	10,768	10,641	10,558	10,469	10,397
Total Operating Expenses	2,633	2,633	2,633	4,273	4,273	4,273	4,273	4,272	4,273	4,273	4,273
Net Operating Gain (Loss)	1,272	1,316	1,434	4,725	5,332	5,628	6,495	6,369	6,285	6,196	6,124
Parking											
Total Operating Revenues	658	1,336	2,015	2,015	2,074	2,822	3,071	3,071	3,335	3,335	3,335
Total Operating Expenses	301	437	573	573	585	734	784	784	837	837	837
Net Operating Gain (Loss)	357	899	1,442	1,442	1,489	2,088	2,287	2,287	2,498	2,498	2,498
Canadian National Exhibition											
Total Operating Revenues	14,245	16,770	16,770	16,770	16,770	16,883	19,381	24,602	24,602	24,602	24,602
Total Operating Expenses	11,371	13,183	13,183	13,183	13,183	13,263	15,037	18,763	18,763	18,763	18,763
Net Operating Gain (Loss)	2,874	3,587	3,587	3,587	3,587	3,620	4,344	5,839	5,839	5,839	5,839
Hotel Operations											
Net Operating Gain (Loss)								722	783	841	841
Trademart Operations											
Net Operating Gain (Loss)								200	220	250	250
Total Operating Gain Before Depreciation, Construction Costs, and Debt Service	$2,286	$ 4,361	$ 5,895	$ 9,834	$11,121	$12,262	$14,449	$16,918	$17,573	$17,572	$17,500

H. INCREMENTAL ECONOMIC AND SOCIAL BENEFITS ARE LARGE

When viewed in the context of the overall economic and social benefits, differences between total operating revenues and operating costs for the facility become minor. This is the major reason why other cities' exhibition and sports complexes are typically justified on the basis of overall economic and social benefits rather than on the basis of the relatively small operating gains or losses.

Quantifiable Benefits

The quantifiable benefits are summarized in the exhibit entitled "Summary of Incremental Construction and Operating Benefits". This summary also shows the economic benefits of the stadium and exhibition components on the basis of the impact of the project on the total federal and provincial economies, and includes direct, indirect and induced economic activity. Two groups of quantifiable benefits arising from the proposed project have been calculated. The first consists of benefits resulting from expenditures during the construction phase. The second consists of benefits relating to the operation of the facilities and events.

The impact of the construction phase is determined by the volume of the construction activity. The following effects are calculated on the basis of the anticipated construction value in 1983 dollars of $300,500,000 and are attributed equally to the stadium and the exhibition centre.

SUMMARY OF INCREMENTAL CONSTRUCTION AND OPERATING BENEFITS - 1983 $
($ Millions)

	Metro Toronto		Ontario (Includes Metro)		Canada (Includes Ontario)	
	Construction (2)	Operation(1)	Construction	Operation	Construction	Operation
STADIUM RELATED						
Value Added ($ millions)	111.5	99.7	159.0	121.6	189.0	128.3
Wages & Salaries ($ millions)	77.5	52.9	111.0	64.5	123.5	72.6
Government Taxes ($ millions)(3)	.25	.15	18.5	11.7	27.0	19.6
Employment (man years)	4,450.0	4,892.1	6,350.0	5,966.0	7,500.00	6,366.0
EXHIBITION RELATED						
Value Added ($ millions)	111.5	199.6	159.0	243.4	189.0	256.7
Wages & Salaries ($ millions)	77.5	106.2	111.0	129.5	123.5	145.4
Government Taxes ($ millions)	.25	.35	18.5	23.3	27.0	39.4
Employment (man years)	4,450.0	9,785.9	6,350.0	11,934.0	7,500.00	12,734.0
TOTAL DEVELOPMENT						
Value Added ($ millions)	223.0	299.3	318.0	365.0	378.0	385.0
Wages & Salaries ($ millions)	155.0	159.1	222.0	194.0	247.0	218.0
Government Taxes ($ millions)	.5	.5	37.0	35.0	54.0	59.0
Employment (man years)	8,900.0	14,678.0	12,700.0	17,900.0	15,000.0	19,100.0

1. Per annum figures at full operation.
2. Metropolitan Toronto for analysis of construction activity includes adjacent regions.
3. Includes taxes to each government jurisdiction.

- The construction program will result in 15,000 man years of additional employment in Canada. Approximately 12,700 man years of this will occur in Ontario, and 8,900 man years in Metropolitan Toronto.

- Approximately $54 million of federal taxes and $37 million of provincial taxes will be generated by the $300.5 million of construction.

- About $247 million in wages and salaries will be generated across Canada by the project. Of this, $222 million will accrue to Ontario.

The impact of the operations phase occurs as a result of a number of expenditures. For the purposes of the analysis, these have been broken into expenditures on-site at Exhibition Place, off-site expenditures for exhibitor services, and general off-site visitor and exhibitor expenditures. If attendance is higher than forecasted, the economic benefits would be higher than shown in the exhibit. The analysis has been done for one typical year when the facility is fully operational (1992). The benefits are measured, however, in 1983 dollars. It should be noted that all benefits detailed below result from additional activity to that already occurring at Exhibition Place today. The main findings of the economic impact assessment of the operations phase are as follows:

- At full operation, the exhibition/sports complex will result in an additional 19,100 man years of employment annually in Canada (6,366 for stadium and 12,734 for exhibitions). About 17,900 man years of this will occur in Ontario (5,966 for stadium and 11,934 for exhibitions), and 14,700 man years in Metropolitan Toronto (4,892 for stadium and 9,786 for exhibitions).

- Most of this employment is generated by additional visitors to the complex. By 1992, the additional visitors will spend an annual amount of about $253,000,000 (1983 dollars) on a variety of services.

- Full operation of the complex will generate an incremental $59 million in federal taxes (stadium is $19.6 million and exhibitions are $39.4 million) and $35 million in provincial taxes (stadium is $11.7 million and exhibitions are $23.3 million) annually (calculated for the year 1992 and expressed in 1983 constant dollars).

Non-Quantifiable Benefits

In addition to the quantifiable benefits outlined above, the project has a number of non-quantifiable benefits. While dollar values cannot be attached to these benefits, they are real and substantial. The major ones can be summarized as follows:

- Demand will be created for a hotel of 300 to 500 rooms, a permanent trade mart, and industrial/warehouse space close to the site. The proposed direct rapid transit connection to the downtown area of the City of Toronto will enhance the viability of the first two of these.

- The level of commitment of existing sports franchises to the area will be improved. Specifically, the teams can be provided with a stadium which better meets their needs, and the attractiveness of Metropolitan Toronto to sport franchises will be increased.

- The proposed covered stadium will accommodate a variety of amateur sports events, and thus provide a significant social benefit.

- Canadian exports will be stimulated as manufacturers will be provided with a 'window on the world' to market and, thereby, sell their products. While the actual effect on exports and imports is hard to measure, many operators and government bodies believe that there is a significant export benefit for the host country. For example, West Germany has the greatest proportionate number of exhibition centres in the world and is correspondingly active in the promotion of exports.

- The development will have a catalytic effect on further economic development at the waterfront.

- An integrated project of this scale becomes a part of the 'common ground' of the community and a symbol of its progressive nature. The publicity and interest it will create will significantly aid efforts to provide economic development and business investments on a broader scale.

I. CONCLUSIONS AND RECOMMENDATIONS

Exhibition Place is a well-established exhibition and stadium site which is next door to Ontario Place and has a splendid waterfront location. The envisaged complex will be a unique facility which will build on an existing base of established exhibitions and available buildings, and have a catalytic effect on development in adjacent waterfront areas. The complex will provide major incremental economic and social benefits to Metropolitan Toronto, Ontario and Canada, including job creation and export stimulation. Assuming that public and vehicular transportation improvements are realized, we conclude that Exhibition Place is an appropriate site for the complex.

It is recommended that:

- The proposal for an integrated exhibition and covered stadium complex at Exhibition Place be implemented.

- Transit improvements be made an integral part of the proposed complex.

- An effective management and marketing organization be established in order to market the facility on an international scale.

- The opportunities for a hotel and trade mart on the site be explored with the private sector.

- An off-site marshalling yard be made available for the proposed facility.

- Before detailed design of the stadium is commenced, an extensive examination of potential roof designs be completed.

EXHIBITION PLACE TASK FORCE

FEASIBILITY STUDY AT EXHIBITION PLACE

July 27, 1983

Submitted By:	Currie, Coopers & Lybrand Management Consultants Arcop•Thom Architects
Submitted To:	Exhibition Place Policy Steering Committee and Technical Committee

FEASIBILITY STUDY AT EXHIBITION PLACE

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I. INTRODUCTION

This report outlines the results of the feasibility study for a proposed International Trade Centre and Covered Sports Complex at Exhibition Place in Metropolitan Toronto.

The main objectives of this study were to:

- determine market segmentation and market demand for exhibition space and a covered sports complex,
- determine user needs,
- evaluate preliminary design concepts for marketing purposes,
- evaluate alternative concepts,
- recommend a preferred concept,
- prepare a detailed financial and economic forecast for the preferred design, and
- forecast the economic effects, in terms of income and employment, of implementing the concept.

Chapter II of this report presents the key marketing findings for the exhibition facilities, and Chapter III provides the analysis of use of the current stadium and the assessment of market potential for a covered stadium. Chapter IV discusses the design concept which was selected from among the alternatives studied and assesses key design-related issues, while Chapter V provides the financial analysis. Chapter VI provides the analysis of indirect benefits.

The research involved detailed analysis of information drawn from interviews and published documents. Details of the key individuals interviewed and the material reviewed are contained in Appendices I and II.

Assistance has been provided in preparing this report by Heery, Fabrap, Architects and Engineers on stadium design, Dillon Consulting Engineers on transportation and Hanscomb Consultants Inc. on construction costs.

II. MARKET ANALYSIS - EXHIBITION FACILITIES

This chapter presents an analysis of the potential market for additional exhibition facilities in Toronto, and reports on market findings which affect site planning and the design of the buildings.

A. MARKET SEGMENTATION

The market for exhibition facilities consists of several different segments. The major ones are as follows:

1. Trade shows: Exhibitions for professionals from specific branches or sectors in the economy. The main purpose of these events is to display the latest products and product ideas of interest to potential buyers.

2. National Exhibitions and Traditional Agricultural Fairs: Public shows which are staged annually. These events often have a long history and an agricultural or recreational theme. Examples are The Canadian National Exhibition (CNE) and The Royal Agricultural Winter Fair (RAWF) in Toronto.

3. Public Shows (or Consumer Shows): Special-interest events which are designed to attract the public. Examples are the Toronto Home and Do-It-Yourself Show, The Sportsmen's Show, and The Boat Show.

4. World Exhibitions: Large international exhibitions which represent many countries and sectors of industry and are once-only events. Examples are Expo '67 in Montreal, Expo '86 in Vancouver, and the Knoxville Fair. Recently, world exhibitions

EXHIBIT 1

THE MARKET FOR EXHIBITION FACILITIES

Type	Examples	Number Throughout Canada 1982
1. Trade Shows of International, National or Regional Scope	- Canadian Premium/ Incentive/Travel Show (Toronto) - The National Industrial Production and Machine Tool Show (Toronto)	Approximately 230 events, of which more than half are in Ontario.
2. National Exhibitions and Traditional Agricultural Fairs	- The Canadian National Exhibition (Toronto) - The Royal Agricultural Winter Fair (Toronto)	Not a national market - 2 events in Toronto
3. Public Product Shows	- The Sportsmen's Show (Toronto) - The Boat Show (Toronto)	About 180 shows which are of interest to Toronto
4. World Exhibitions	- Brussels - Montreal - Knoxville - Vancouver (Planned)	Once-only events
5. Merchandise Marts/Trade Marts	- San Francisco - Dallas - Chicago - Brussels - Montreal	Emerging; size is determined by exhibition space being offered.

While the following categories are important and should be considered in the development of proposals for Exhibition Place, a detailed analysis has not been made of them.

have become more focussed on special themes and they no longer try to cover a broad range of industries.

5. Merchandise Marts/Trade Marts: Permanent exhibitions held in a building specifically designed to bring sellers and buyers in selected industry categories together. Merchandise marts are usually owned and managed by private companies.

Examples of each of these categories have been presented in Exhibit 1. The structural characteristics of each of the categories have been summarized in Appendix III.

The two following categories from among the five listed are the most important and have been selected for detailed analysis.

- Trade Shows are an important market for the proposed expansion of exhibition facilities at Exhibition Place. The analysis in this chapter shows that the market is large and growing, and currently numbers about 230 events in Canada.

- Public (Product) Shows, on the other hand, are another large market segment with considerable future promise. About 180 events of this type currently take place in Canada, and many of these shows cannot expand in their current locations because of a lack of space. An analysis of this category is presented in this chapter, together with a study of the trade shows.

While the following categories are important, and should be considered in the development of proposals for Exhibition Place, a detailed analysis has not been made of them.

National Exhibitions and Traditional Agricultural Fairs are limited in Toronto to two events, the CNE and RAWF. Because no additional events in this traditional category are expected to be attracted to Exhibition Place, this category has not been analyzed in detail.

World Exhibitions are once-only events which can not be attracted in the short term, and require a major organizational effort. Toronto would be a very good location for a world exhibition, and a redeveloped Exhibition Place could be the focal point for such an event. The recent world exhibition in Knoxville has demonstrated that the indirect economic benefits to the host community can be large, and direct costs can be recovered by direct revenues. (In the case of Knoxville, direct revenues from admissions alone exceeded $100,000,000.) Because of the long lead time required, we have excluded a world exhibition in Toronto from this feasibility study, but it should be noted that a world exhibition could substantially increase the revenues available to Exhibition Place in one selected year during the late 1980's or during the 1990's.

Merchandise Marts/Trade Marts are another potentially attractive market category for Exhibition Place. A newly constructed merchandise mart, however, would be inappropriate for a government agency to invest in and operate. For this reason, we have focussed the assessment of revenues available from a merchandising mart on net revenues from the lease of the development rights, and have suggested a privately-run operation.

For a trade mart to be successful, a number of conditions must be met:

- A large urban market area should exist in which the market can be located (e.g., in excess of 2.5 million people).

- A large industrial hinterland should preferably be the economic centre of a large region or the country.

- The average disposable income level within the population should be sufficient to guarantee sales of new consumer goods.

Trade marts tend to work better in areas with a massive concentration of people in major centres (San Francisco, Chicago, New York), with a large hinterland, than in areas where the population is more evenly spread out, or in areas which are in a relative economic decline. They tend to work well in industry sectors where the product assortment is wide, and buyers have difficulties in staying fully up-to-date on new product offerings. Therefore, Toronto would be a good area for a trade mart.

Currently, Exhibition Place is best known for events in category 2, with the Canadian National Exhibition in August/September and the Royal Agricultural Winter Fair in November. Exhibition Place, Toronto and Ontario in general have not seen the magnitude of growth in trade and public shows which has taken place in other economic and financial centres in North America, primarily because of Toronto's lack of quality facilities for large and multiple exhibitions. Nonetheless, a busy schedule of trade shows and public shows has developed at Exhibition Place and at the smaller, 240,000 sq. ft. International Centre on Airport Road. These schedules have been developed in spite of the poor facilities and a lack of active marketing at Exhibition Place, and relatively small facilities at the International Centre.

B. SIZE AND CHARACTER OF THE MARKET FOR TRADE AND PUBLIC SHOWS

The Canadian market in trade and public shows consists of about 450 events. About 10% of these are the same shows which are duplicated in other cities, and an estimated 30% are shows which could be moved. The market continues to grow, and growth in attendance parallels the growth in events.

Because trade shows and consumer shows will be the dominant source of new events at Exhibition Place, we summarize below our findings about the size and character of the market for these shows.

1. **The Canadian Market is Large**

The 450 trade and public shows which are held each year are held either in their pure or hybrid forms. The market can be segmented as follows:

Type of Exhibition	Number of Events 1982
Trade Shows	230
Public (or Consumer) Shows	180
Hybrid Shows: Trade and Public	40
Total	450

In order to determine potential demand for space for shows at Exhibition Place, we have analyzed each of the three categories and determined the number of events in Ontario and Metro Toronto.

2. **Ontario and the Toronto-Centered Region Already Attract a Large Number of Events**

The analysis shows that Ontario and Toronto have a large share of the Canadian exhibition market, in spite of relatively poor facilities. Specifically, we found that:

- Ontario hosts 48% of all exhibitions in the country.

- Metro Toronto captures 31% of all exhibitions in Canada, representing an estimated 40% of all sales of covered show and exhibition space in the country.

- Metro Toronto captures 65% of all shows and exhibitions in Ontario, representing about 80% of all sales of covered show and exhibition space in the province.

EXHIBIT 2

THE MARKET FOR EXHIBITIONS IN CANADA
(EXPRESSED IN NUMBER OF EVENTS)

	1982									
	No. of Events All Of Canada		Ontario		Toronto			Exhibition Place (Note 1)		
			No. of Events	% of Canada	No. of Events	% of Ontario	% of Canada	No. of Events	% of Ontario	% of Canada
Trade Shows	230	(51%)	110	48%	71	65%	31%	18	16%	8%
Public Shows	180	(40%)	83	46%	54	62%	30%	27	33%	15%
Hybrid Shows: Trade and Public	40	(9%)	22	55%	15	68%	37%	4	18%	10%
	450 (Note 2)	(100%)	215	48%	140	65%	31%	49	23%	11%

Sources: Interviews; Canadian Industry Shows and Exhibitions 1982, McLean-Hunter, Toronto;
Schedule for Fairs and Exhibitions - worldwide '82/83 - M&A Kalendar '82/'83, Frankfurt am Main;
Listings of events at Exhibition Place.

Note 1:

This analysis excludes the CNE and Royal Agricultural Winter Fair.

Note 2:

This includes 340 exhibitions which must be included in the aggregate of the market, but which could never be attracted to Exhibition Place because they are regional fairs, duplications of exhibitions currently held at Exhibition Place, or are too small to be attracted to a major exhibition site.

A detailed analysis showing the number of events in each major category is presented in Exhibit 2.

2. The Market Continues to Grow

Both the trade and public show segments of the market are growing overall, in spite of the fact that some shows are stabilizing or declining in size. The primary period for shows is January to April of each year. During this period, Exhibition Place has a heavy schedule of shows, with little flexibility for new shows. This is shown graphically in Exhibit 3 overleaf.

In Toronto, unsatisfied demand for space exists, mainly from exhibition organizations with large shows. In the trade show segment, for instance,

- the Toronto Fall and Spring Gift Shows need an additional 175,000 sq. ft. of space immediately, for a total occupancy of 635,000 gross square feet[1] for 24 days,
- the Canadian Premium/Incentive Travel Show cannot be accommodated at Exhibition Place, because of lack of space during September,
- the Scientific Supply Exposition had to be turned down by Exhibition Place, and
- several show management companies have conceived new shows which cannot be accommodated now, because the timeslots which the organizers want are occupied by other shows.

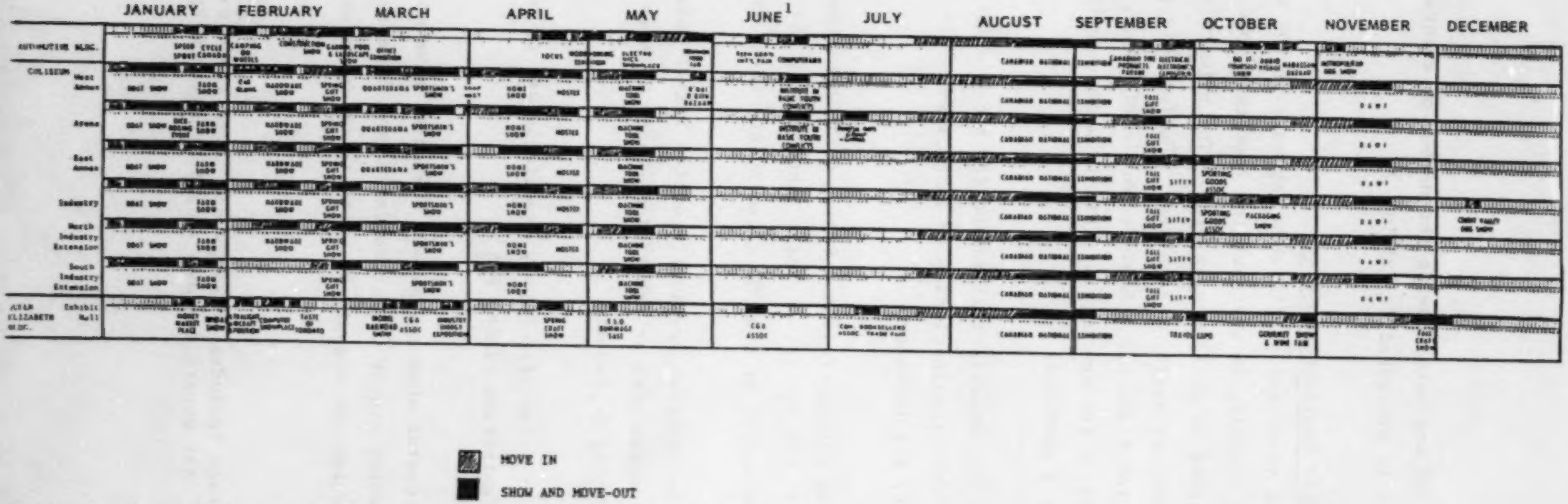
---

[1] The gross square footage includes walkways and other space available on the exhibition floor(s). Net square footage includes only the space actually used by exhibitors.

EXHIBIT 3

1983
EXHIBITION PLACE BULDING OCCUPANCY

(As Booked by January, 1983)



Note 1: Virtually no exhibition organizers plan shows for June, July or December due to consumer and trade resistance to these time slots.

Note 2: Without additional space, it would effectively be difficult to schedule additional shows during the main exhibition season (January to April).

Note 3: The turnover rate of space at Exhibition Place is high (higher than Brussels, Dusseldorf, Hanover, Frankfurt, Paris-Porte de Versailles, Dallas, Las Vegas and Atlanta, for instance).

In the public show market segment, an example of an exhibition which needs more space is the National Home Show. It requires an additional 100,000 sq. ft. for a total of 550,000 gross sq. ft. for 20 occupancy days.

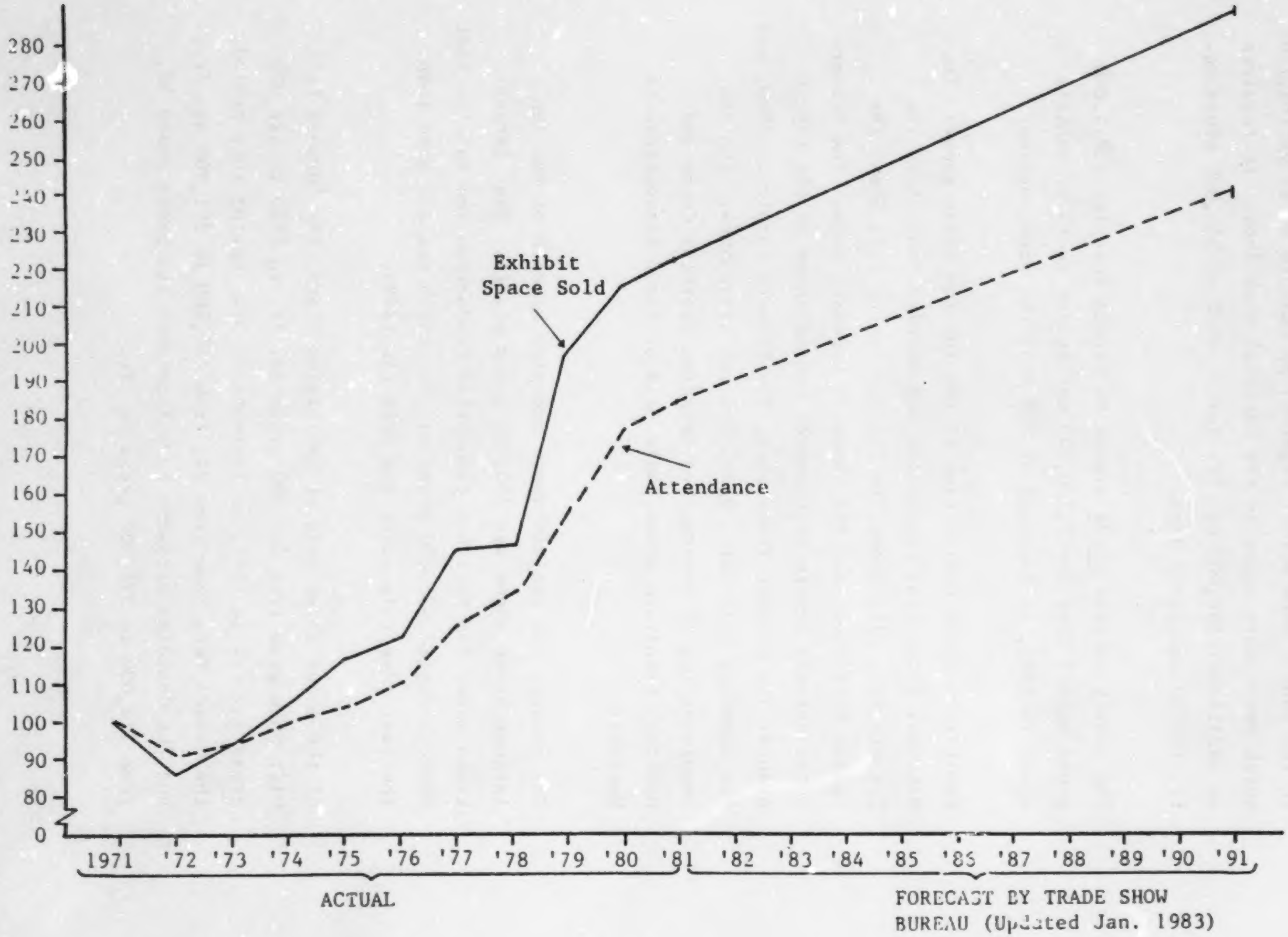
The twenty largest trade events in Canada occupied 5,914,000 gross square feet (or 2,720,000 net square feet) of exhibit space in 1981, an increase of 14% over the previous year.

Exhibition Place hosted five of the top ten trade shows: The National Industrial Production and Machine Tool Show, The Toronto Fall Gift Show, The Toronto Spring Gift Show, The Canada Farm Show, and The Canadian Hardware Show. The Toronto International Centre of Commerce hosted three of the top 10 events: The Graphic Trade show, The Toronto Furniture Show, and the Canadian Fall Gift, Bath, Bed and Linen Show. The two remaining top 10 events, The Canadian Sporting Goods and Montreal Furniture shows, were held at Place Bonaventure in Montreal.

The average for exhibit space occupied by each of the ten largest trade shows was 350,000 gross sq. ft. The largest trade show, The National Industrial Production and Machine Tool Show, occupied 435,000 gross sq. ft. which was 23% more than the last time this event was held (in 1979).

Of the other shows held at Exhibition Place, The Toronto Fall Gift Show grew from 404,000 gross sq. ft. in 1980 to 426,000 gross sq. ft. in 1981, an increase of 5%. During this period, the Canada Farm Show grew 3%, from 380,000 to 391,000 sq. ft., and The Canadian Hardware Show increased its gross space 5%, from 374,000 to 391,000 gross sq. ft.

ATTENDANCE AT TRADE SHOWS, AND EXHIBIT SPACE SOLD, U.S.



Based on Trade Show Bureau Research findings

NOTE: Similar data is not available for Canada, but trends in trade show industries in the two countries are very similar.

Events held at other exhibition facilities in Canada, with the exception of Place Bonaventure, also showed increases in space requirements averaging between 1% and 4% per annum.

Based on preliminary 1982 data, it is clear that the growth trend is continuing. There are more shows and more exhibitors, and space requirements continue to increase. It is estimated by the publication Trade Show Week that the 20 largest Canadian trade shows will occupy 6,522,000 gross square feet of exhibit space in 1982, compared to 5,909,000 sq. ft. in 1981, and 5,127,800 in 1980. While similar data for consumer shows are not available, it is estimated, on the basis of interviews, that the 20 largest Canadian consumer shows will occupy at least 7,000,000 gross square feet of space in 1982.

The experience in Canada parallels that of the United States. Exhibit 4 shows how attendance at trade shows and the amounts of exhibit space sold have continued to grow since the early 1970's. From 1971 to 1981, the amount of exhibit space sold grew 115%, while attendance grew 80%. It should be noted that shows grew most rapidly in the second half of the 70's when a number of new exhibition facilities came on stream.

The availability of exhibition space is one of the major determinants of the rate of growth. The amount of exhibit space available per capita in Canada and the U.S., however, is still significantly lower than it is in Europe, where markets are more concentrated because of the higher density of population.

Historically, trade and public shows have not been an important part of the marketing strategies of North American manufacturers and distributors. However, during the last half of the 1970's, more and more marketing people started to realize the value of trade shows as a marketing tool. As a result, the demand for facilities grew, and alert communities recognized the need for good exhibition space.

The main reasons for the growth in trade and public shows are as follows:

- It is increasingly difficult for sellers to know who the buyers are, and vice versa. Exhibitions can be a more effective means of bringing buyers and sellers together than any other marketing medium.

- Companies which once used sales representatives exclusively are turning to trade shows and other direct marketing methods because the cost of keeping sales representatives on the road continues to increase disproportionately compared to sales. Companies are looking for ways to cut selling costs and, as a result, direct marketing techniques such as trade shows, direct mail, and seminars are burgeoning.

- Companies increasingly recognize that trade and consumer shows can bring them further along the sales cycle than other marketing communication programs (except seminars), because, based on research in the U.S., 80% of the attendees at a typical trade show are purchase decision makers, and 70% purchase at least one of the products displayed within a year.

- Trade shows are an excellent means of getting an overview of new developments in an industry and, therefore, provide market intelligence for buyers and sellers.

- Exhibitions are, for many people, an enjoyable way to learn about these new developments.

The following section provides an assessment of the numbers of people attracted to exhibitions in Ontario.

3. Exhibitions in Ontario Attract An Average of About 25,000 Visitors

An independent survey of 74 trade shows and 34 public shows held in Ontario over a two-year period was conducted in 1981 for the Canadian Association of Exposition Managers. This survey found that the average show attracted 25,060 visitors. (Average trade show attendance was 9,487, and average public show attendance 58,954.) In total, the 108 shows attracted 2.7 million visitors and 20,000 exhibiting companies. These figures do not include the CNE and RAWF.

At Exhibition Place, average attendance at exhibitions is higher because the facility attracts the larger shows. Complete statistics for attendance were not available for the off-season at Exhibition Place, but on the basis of a sampling of shows, we estimate average attendance to be 113,189. Appendix IV provides available attendance figures for 9 large exhibitions in 1979.

The average number of exhibiting companies and booths per show varies widely, from as little as 20 for a business investment opportunity show to as many as 1,773 for a gift show.

Examples of the number of booths for various exhibitions at the Coliseum complex at Exhibition Place are as follows:

838 booths in The National Home Show,
966 booths in The Production and Machine Show,
1,455 booths in The Canadian Hardware Show, and
1,773 booths in The Gift Show.

In 1981, the average number of exhibiting companies for exhibitions in Ontario was 185.

4. Small Exhibition Facilities Serve as Feeder Facilities for a Large Centre

In the various countries where we studied exhibition facilities (the U.S., Canada, Germany, France, Belgium, Holland and Italy), we found that trade and public exhibitions often start in a small facility, outgrow it over time, and then move to a large exhibition facility, usually in the country's economic centre. Thus, large, international-class facilities need smaller 'feeder' facilities as sources for their future exhibitions.

Once exhibitions become very large, they tend to regionalize again. This means that exhibition management companies create 'spin-off' shows of successful events in the smaller, geographically dispersed centres, while maintaining the 'core' show.

In Canada, the supply of quality space at regional centres will grow during the next decade. For instance,

- Hamilton is a potential location for an arena which can be used for small exhibitions.

- Calgary is considering expansion of its existing facilities.

- Ottawa may build exhibition facilities.

- Edmonton is building a convention centre with some exhibition space, and an agricultural-commercial show facility.

- Winnipeg is studying the construction of exhibition facilities.

- Other communities, such as Kitchener, are contemplating building multi-purpose spaces which can also be used for very small exhibitions.

The addition of these new facilities will mean increased competition, especially in the smaller, regional centres. Larger shows, however, will continue to gravitate towards the economic centre of the country, Toronto.

The key factors which affect the ability of a metropolitan area to attract large shows are as follows:

- The exhibition facilities which the city can offer. (The main facility in a country's economic centre, for instance, should have a minimum of 800,000 sq. ft. to 1,200.000 sq. ft. of covered space, which can be used in all seasons.)

- The number of hotel rooms within a ten-mile radius around the facility, and closer, if possible. (Organizers of large shows prefer centres with at least 8-10,000 hotel rooms available within a ten-mile radius.)

- The amenities which the area has: restaurants, range of entertainment facilities, transportation facilities.

- The 'image' of the city as an attractive destination.

- The level of business activity and the position of the business community in the country's economy.

- The marketing program of the exhibition facility.

Metropolitan Toronto is very well positioned in each of these areas, except for the quality of its exhibition facilities and marketing programs for these facilities. For instance, the largest facility - Exhibition Place - could not accommodate additional shows of any significance during the main exhibition season because of its existing schedule, and the lack of quality space. Because of these constraints, Exhibition Place does not have an active marketing program designed to aggressively attract or sponsor new exhibitions. The organization traditionally only responds to requests for rentals.

5. The Market Will Become More Competitive

New facilities will be built in Canada, and internationally, because governments at various levels recognize that exhibition facilities can create new jobs. Furthermore, they can often be justified on the basis of secondary benefits accruing as a result of an increased number of visitors. In Canada, especially among small facilities, this will, in the long term, lead to:

- very competitive rental rates,
- larger expenditures on marketing, and
- slower growth in the utilization rates of buildings.

The market in Metro Toronto, however, will be less competitive than in smaller centres because the demand for space is higher, and the aggregate supply of space for large exhibitions is inadequate. Details on the size and growth rate of the market will be provided in Section F of this chapter.

In the U.S., several communities are willing to provide high-quality space at low prices in order to obtain the indirect benefits of exhibitions. Las Vegas is an example of a U.S. city where space rental costs are low, compared to facilities in other U.S. centres, in order to ensure that indirect benefits accrue to the local economy.

It should be noted that the new exhibition facility in New York has booked exhibitions very rapidly. The first two and a half years of operation are already over 90% booked and only half of these bookings can be traced to the discontinuation of operations at the New York Coliseum.

6. Other Key Findings

Other key market research findings which will affect the future marketing of facilities at Exhibition Place are as follows:

- The use of conventions and seminars in conjunction with exhibitions is increasing in response to a growing need for information in all industrial sectors.

- Exhibitions and conventions use similar accommodation and are housed within the same facilities in many locations. However, while convention centres are geared for meetings, lectures, dinners, conferences, etc., exhibition centres are set up for the display of goods and materials. As well, the booking of shows for exhibitions requires the repetitive dedication of space over many years while conventions may occur only every few years.

- Consumer goods exhibitions for the "trade only" are growing in importance, while consumer goods exhibitions for the general public are declining in relative importance.

- There is a trend toward more specialized shows.

- The market is becoming more responsive to marketing activities by organizations which manage exhibition facilities. In many cases, large organizers of exhibitions expect to be approached and sold by organizations which manage exhibition facilities (at present, Exhibition Place is not actively approaching and selling its facilities to such organizers).

- The square footage required by existing exhibitions and events is increasing.

In summary, the market is growing and changing and, in the future, is likely to become large but more competitive.

C. USER NEEDS WITH RESPECT TO LOCATION, SITE PLANNING, AND BUILDING DESIGN

The key market findings which affect site planning and the design of the buildings can be grouped into three categories: marketability of upgraded facilities at Exhibition Place, site/services/overall design, and visitor convenience. Each of these is discussed below.

1. Marketability of New and Upgraded Exhibition Place Facilities: the Buildings

The key findings and market preferences identified are as follows:

- Exhibition organizers, exhibitors and visitors have a strong preference for rectilinear buildings. This is the case in both national and international markets.

- Halls with various heights are required. One hall should, at a minimum, be able to accommodate 45-foot exhibits such as boats and heavy equipment. Interior spaces which accommodate even larger exhibits are also desirable. For the other halls, a 30-foot clearance is sufficient. In some centres, areas with 20-foot clearance are used regularly, although some difficulty is acknowledged with this height, and the construction of new space with such a limited clearance should be avoided, if possible.

- The design of the exhibition facility should provide the ability to expand in modules of not less than 100,000 to 200,000 sq. ft. The design of the halls should allow for a wide range of uses and flexible combinations of space for various sizes of exhibitions.

- Each hall should have an office for show organizers which overlooks the space in which the show is held.

- The lay-out of the halls should be planned in such a way that there is no "dead space" for individual exhibits. This can be done best by appropriate positioning of entrance and exit doors. The location of restaurants (for instance, in the back area of halls) can also assist in this regard.

- Exhibition organizers prefer exhibition floors at ground level. If one-level halls are difficult to accommodate on the site for design reasons, it is important to ensure that the various levels in the exhibition building are equally attractive to exhibitors. Design solutions such as truck access to all floors via ramps, and a visitor entry which is equally accessible to both floors should be considered to achieve this.

- Clear structural spans should range between 60 feet and 130 feet.

- The designs should provide for natural lighting in the halls to save energy and improve the environment for workers in the halls. This is a change from the traditional preference of having halls without windows to enhance the effect of artificial lighting.

- One loading dock should be provided for approximately every 18,000 sq. ft. of exhibit space. Thus, an 800,000 sq. ft. facility would require 45 loading docks.

- Depending on the exhibition, each 100,000 sq. ft. of space can attract up to 250 trucks of varying sizes over a four-day move-in period. If the show has a large U.S. component, the number will be lower because the freight will arrive in large bonded trailers.

- Off-site parking for trucks and trailers must be provided.

2. The Site, Services and Overall Design

The key findings are as follows:

- The main entrance into the building(s) should be designed in such a way that it provides the visitor with a sense of elation and a sense of arrival. Expenditures in this area have a high impact on all users. The design of the entrance area is critical to the attractiveness of the facility.

- The overall design of the facility should be attractive and facilitate the opportunity of the show producer to create a sense of occasion.

- Walking distances to transit, rail and parking should be short.

- Visitors should not be required to walk through or past parking lots to reach transit and rail stations.

- The facility should enable exhibitions to be open while other exhibitions in other areas are being erected or taken down.

- Weather-protected storage amounting to about 15% of exhibition space should be provided.

- For an 800,000 sq. ft. facility, about 35 to 50 meeting rooms of various sizes should be provided. These will be used mainly by exhibitors. Larger meetings of visitors should be accommodated at the Convention Centre.

- With respect to services such as electricity, telephone, compressed air and water, these can be provided in the floor or from the ceiling. European experience suggests future designs will lean toward services in the floor.

- The overall site plan and design should be compact in order to minimize walking distances between exhibit-related facilities.

- The concept should allow for future expansion, as most exhibition centres have been successful enough to require expansion.

- The existing Industry, Automobile, Better Living, and Queen Elizabeth Buildings can provide acceptable space if upgraded but, by themselves, would not constitute a major facility with national and international appeal.

- Some exhibition organizers would like to have an exhibition facility located away from the stadium, because of the traffic conflicts which the combination of facilities creates during peak utilization hours. Others consider the proximity to be an advantage, because it allows for better rapid transit facilities, improves the overall image of the facility, and allows for better services.

- The facilities should be designed to allow for usage as both single show and a combination of different sized shows. This requirement should be reflected in the halls, entrances and loading facilities.

- Most exhibition facilities are used part of the time for entertainment and sports, (e.g., indoor tennis tournaments, popular music events and events which are too large for convention centres). The buildings should be capable of allowing such uses.

- Halls not linked to the main complex are less popular with exhibitors and difficult to rent.

- A covered stadium can be utilized effectively as exhibition space, and represents a major marketing bonus if it is well linked to the exhibition space. Services, such as gas, air, electricity and drainage will be necessary in the stadium floor.

- Effective use of a stadium for exhibitions requires attractive entrances with good linkages to the stadium floor and to the concourse areas to be used for exhibits.

- The movement of crowds from the stadium after a sports event must be controlled to avoid conflict between travel modes.

- Provision must be made in the stadium for a ceremonial entrance.

- Provision must be made in the stadium for a high level of T.V. filming and transmission activity.

- Convenient service access to the floor of the stadium is important.

3. Visitor Convenience and Appeal

The key findings with respect to visitor convenience and appeal are as follows:

- From the point of view of exhibition organizers, the highest quality of access possible is desired. All centres have had to compromise to some degree in this area. But it is clear that good auto, transit and bus access must be provided. Links to downtown amenities are especially important.

- All exhibit organizers and managers agree that high quality access is important. This means the transport systems must be able to deliver the required volumes of visitors. It also means that the quality of transportation experience must be compatible with the expectations of the various users. These users include those attending consumer shows, businessmen, and exhibitors. If an exhibition centre has the reputation of having an access problem, it is more difficult to sell.

At Exhibition Place, the current levels of accessibility are inadequate unless supplemented by a new, fixed route, rapid transit facility providing a fast, convenient service to downtown facilities, the subway, and the Convention Centre. Notwithstanding such a transportation facility, bus access and taxi linkages will have to be significantly improved.

- Because the exhibition site will often accommodate several exhibitions at a time, multiple entrances should be planned to allow each exhibition to have its own entrance. These entrances should be attractive and exude a welcoming feeling.

- Entrances for visitors and exhibitors should be separate, and visitor and exhibitor traffic outside the buildings should not interfere with each other.

- All buildings should be connected in a tight configuration so that walking distances are not excessive, and the walking distance between the two farthest points in the exhibition facility should be less than a kilometer.

- All buildings should be connected in a way which allows pedestrian movement through continuous exhibition space.

- The site should preferably be within the urbanized area of the city, which offers the visitor an attractive experience. The choice, quality and accessability of off-site amenities such as hotels, restaurants and entertainment available downtown is critical to the competitiveness of the exhibition centre.

- For visitors and exhibitors, good rapid transit to the site is important.

- Shuttle bus services to hotels during exhibitions is an essential additional dimension of transit service. Shuttle bus services at other international class centres are often organized by the show management companies.

- Grassy areas with and without trees should be provided outside the buildings for aesthetic and image reasons. Such landscaping should be robust because of the large volumes of people.

- Banking, travel agency, general tourist information and visitor enquiry, car-rental, theatre ticket booking, and postal services should be available on the grounds during major exhibitions.

- A variety of restaurants and snack bars should be available.

The availability of retail facilities is desirable, but the limitations created by the variability of demand must be recognized.

D. USE OF EXISTING FACILITIES

The main exhibition space facilities in the Toronto region are Exhibition Place and the Toronto International Commerce Centre. First, the findings about size, usage and seasonality will be summarized. This will be followed by an analysis of sales, revenues and exhibit space yield.

EXHIBIT 5

EXHIBITION PLACE
GROSS HEATED BUILDING SPACE
AVAILABLE
FOR EXHIBITIONS

	Gross Space in the Building (in 000's sq. ft.)
Automotive	160
Industry	151
Extensions	87
East Annex	110
Coliseum	21
West Annex	98
Q.E. Building	63
	690

1. Size, Usage and Seasonality

The publicly-owned Exhibition Place currently contains about 690,000 square feet in the Automotive, Coliseum, Industry, and Queen Elizabeth Buildings (Exhibit 5, opposite), and additional space in lower-quality, unheated buildings, excluding the C.N.E. and the Royal Agricultural Winter Fair, Exhibition Place books about 92 events annually, of which 18 are trade shows, 27 are public exhibitions, and 4 are hybrid shows (Exhibit 6, over).

The International Centre contains 260,000 square feet of exhibit space and about 200,000 square feet of permanent showroom display space. The Centre was developed privately by TICC Limited, and is located across from Toronto International Airport. The International Centre hosts an estimated 44 trade and public shows annually, including the Canadian Computer Show. The Centre is currently assessing the feasibility of building a Systems Mart, a permanent facility for promoters of information and communications systems. It has already announced the appointment of marketing staff for such a facility.

Organizers of trade and commerce shows consider both Exhibition Place and The Toronto International Commerce Centre to be operating at or near capacity for trade and consumer shows during the main exhibition season. They report that it is very difficult to find a time slot in the schedules during high season which fits their needs, especially for larger shows.

The exhibition industry is highly seasonal, with peaks in demand in January through March. The seasonal distribution of demand by month is as follows:

EXHIBIT 6

EXHIBITION PLACE
ANALYSIS OF 92 EVENTS IN 1982
(49 Exhibitions and 43 Other Events)

TRADE SHOWS

1. Canada Farm Show
2. Hardware Show
3. Gift Show (Spring)
4. Furniture Machinery and Supply
5. National Office Exhibition
6. Environmental Exposition
7. Launderers
8. Hostex
9. Office Products Trade Show
10. Computerama
11. Fall Gift Show
12. Chemical Exhibition
13. Sporting Goods
14. Audio-Visual Show
15. S.I.T.E.V.
16. I.H. Dealers
17. Chrysler Show
18. Swimming Pool Association Trade Show

PUBLIC SHOWS

1. Speed Sport
2. Cycle Canada
3. Bridal Show
4. Spring Horse Show
5. Metropolitan Kennel Club Show
6. Garden Show
7. Model Railroad Show
8. Quarterama '82
9. Sportsmen's Show
10. National Home Show
11. Spring Craft Show
12. Youth Stamp
13. B'Nai B'Rith Bazaar
14. Food Fair
15. Do-It Yourself Show
16. Hadassah Bazzar
17. Gourmet and Wine
18. Rock Fair
19. Spring Horse Show
20. Credit Valley Kennel Shows
21. Electronics Show Place
22. Art Toronto
23. Woman on the Go
24. Canadian Craft Show
25. Stamp Exhibition
26. Canadian Standardbred Show
27. New Ideas and Product Show

HYBRID: TRADE AND PUBLIC

1. Boat Show
2. Focus '82
3. Camping on Wheels
4. Travel Expo

Entertainment and Other Events

43 other events (concerts, cultural events, auctions, etc.) including late scheduled events such as Audio Trend and the Canadian Craft Show.

Approximate Seasonal Distribution of Trade and Consumer Shows in Toronto

January	15%	
February	14%	43%
March	14%	
April	9%	
May	10%	27%
June	8%	
July	2%	
August	3%	13%
September	8%	
October	9%	
November	7%	17%
December	1%	
	100%	100%

This seasonal distribution is not expected to change materially in the future.

Note that the demand for space is low during the August period. This low demand is not only due to pre-emption of facilities at Exhibition Place by the CNE, but is also an industry phenomenon. The seasonal distribution of demand exists across the industry and is not expected to change in future.

An analysis of the number of show days, move-in and move-out days and the number of times each building is used for an event, shows that each building is used frequently. The number of events during what the CNE calls 'off-season' ranges between 6 and 20 for the major buildings (Exhibit 7, over). The average number of times each square foot is used for an event during the "off-season" is 14, and the average length of an event is 10 days, including move-in and move-out.

The seasonal pattern of demand makes the availability of heated space important.

EXHIBIT 7
EXHIBITION PLACE
CURRENT SALES
(1982)
EXCLUDING CNE AND RAWF

	Number of Event Days				
	Show Days (or Other Occupancy)	Move in & Move Out	Total	Number of Space Turns	Average Length of Event in Days
Automotive	117	64	181	20	9.1
Industry Building	65	66	131	12	10.9
Coliseum West Annex	65	48	113	12	9.4
Coliseum Arena	96	42	138	31	4.5
Coliseum East Annex	67	54	121	12	10.1
North Industry Extension	52	58	110	8	13.8
South Industry Extension	44	32	76	6	12.7
Q.E. Hall	82	42	124	19	
Subtotal	588	406	994		
Other Buildings	158	40	198		
Total	746	446	1,192	120	10.0

Excluding July and August for CNE and mid October-November for RAWF.

Source: CNE Listings of shows and events/CNEA.

[1] includes other uses

2. Square Foot Days Sold, Revenues, and Exhibit Space Yield

The total number of gross square foot days[1] sold at Exhibition Place has increased from 79 million in 1978 to 94 million in 1981 (see Exhibit 8, over). Revenue from building rentals during this period increased from $1,028,482 to $1,363,767. The latest estimates for 1982 are 97 million gross sq. ft. days in rentals, and $1,464,500 in rental revenues.

The revenue-base to be used for forecasting purposes is the 1982 latest estimate of revenues. These estimates are as follows:

Gross Revenue		1982 Latest Estimate in 000	% of Revenues Excluding Parking
Rentals of buildings		$1,465	69.4%
General Services Department			
revenue (estimated by CNEA)	$710		
expenses (estimated by CNEA)	200	510	24.2
Catering Revenue[2]			
King Foods	42		
Stoodleigh	32		
Dalmar	60	134	6.4
Revenues excluding parking		$2,109	100%
Parking		$2,100	
TOTAL		$4,209	

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[1] Gross square foot days are calculated by multiplying the gross square footage for each building with the total number of days the buildings are rented.

[2] Estimates are based on 5-year averages.

EXHIBIT 8

EXHIBITION PLACE

NUMBER OF SQ. FT. DAYS BY BUILDING
1978-1982
AND REVENUES FROM RENTALS
INCLUDING MOVE-IN AND MOVE-OUT DAYS

in 000's except where noted otherwise

Buildings[1]	1978	1979	1980	1981	1982 (estimate)
Automotive	21,672	15,700	22,428	26,113	28,996
West Annex	10,023	11,596	11,498	11,596	11,105
Arena	2,696	2,760	2,760	2,910	2,953
East Annex	13,090	13,090	13,970	14,080	13,310
Industry	19,591	22,454	21,700	23,509	19,742
North Ext.	4,294	4,978	4,370	5,054	4,180
South Ext.	2,733	3,221	3,660	5,173	3,709
Queen Elizabeth Exhibit Hall	5,280	4,525	5,154	5,908	7,793
Other sales (estimate)	0	0	0	0	5,000
Total Sq. Ft. Days	79,379	78,324	85,540	94,343	96,788
Revenue (in $)	$1,028,482	$1,026,036	$1,185,426	$1,363,767	$1,464,500 Projected

Note: This analysis excludes the CNE and RAWF days.

Source: CNEA

It can be seen that rentals account for 69.4% of revenues, excluding parking, and that other services account for only 30.6%. At other large exhibition facilities, income from other services accounts for a higher percentage of revenues. The forecasts of long-term future revenues provided in a later chapter reflect the opportunity to increase revenues from other services by bringing charges for 'other services' in line with industry practices.

There appears to be room to increase revenues from building rentals at Exhibition Place. Current revenues per day per actual gross square foot sold are less than 3 cents. This compares to more than 4 cents for the International Centre, more than 10 cents for Chicago and more than 13 cents for New York.

There is also room to increase revenues from surcharges on services provided to show management companies and exhibitors. Unlike other centres, Exhibition Place does not consider such surcharges a major revenue source.

E. EXHIBITION EXPERIENCE IN OTHER CITIES

A wealth of experience exists in other cities with large, international-class exhibition facilities. Some lessons learned with respect to design have been outlined earlier in this chapter. Below is a summary of findings about the major facility in the U.S., McCormick Place, and a leading facility in Europe, the Hannover Messe. Both are leading facilities in their respective countries. Our interviews and overall research ranged from the brand new, 700,000 sq. ft. facility of Paris North/Villepintes which is the first phase of a state-of-the-art complex in Paris, to the 1.5 million sq. ft. exhibition facility in Dusseldorf.

1. McCormick Place, Chicago

Chicago is the top-ranking exhibition city in North America, and McCormick Place is the major tool which the city and the state use to generate exhibition business. McCormick Place has 1,056,000 sq. ft. of exhibition space, and attracts an average of 28 of the top 150 U.S. trade shows each year.

McCormick Place is situated on a lakeshore site, with good highway access from downtown Chicago. Because many out-of-town visitors attend the trade shows at the facility, shuttle buses are employed effectively to reduce transportation problems. These shuttle buses are organized by the show management, not McCormick Place itself, and serve the downtown hotels.

The rationale behind McCormick Place is to foster use of hotels, restaurants, and other services in the Chicago region. McCormick Place, in fact, now discourages public shows in order to be able to accommodate more trade shows. It concentrates on trade shows because these attract more out-of-town visitors, and have, therefore, a greater net impact on the local economy. Approximately 75% of its shows are annual events.

The prime exhibit space at McCormick Place is the 293,000 sq. ft. Maxwell Hall, followed by the 283,000 sq. ft. Schoessling Hall one level below it.

McCormick Place is a reasonably good model for an analysis of typical revenues and expenses of an international-class exhibition facility.

The latest estimates for revenues, expenditures, and profit/losses for the 1982/83 year are as follows.

Revenues, Expenditures and Profit/Losses
McCormick Place, Chicago

	1982/1983
Revenues	U.S. $15,638,490
Expenditures	17,070,950
Loss (projected)	$ 1,432,460
Profit from the Donnelley Place (exhibition facilities)	526,350
Net loss (projected)	U.S. $ 906,110

An analysis of revenues and expenditures is presented in Exhibit 9.

The profit and loss statements for McCormick Place exclude parking revenues, which are collected by another authority. These gross revenues are estimated to be $6 million annually.

Thirty-five shows are scheduled for the 1982/1983 fiscal year, with a total rental of $6.2 million (U.S.) for 145 actual show days. It should be noted that the income from space rentals accounts for only 40% of revenues. Forty-one percent of income is generated by exhibitor services, which are charges for utilities and services, plus the customary surcharge.

McCormick Place has among the highest rental rates in North America:

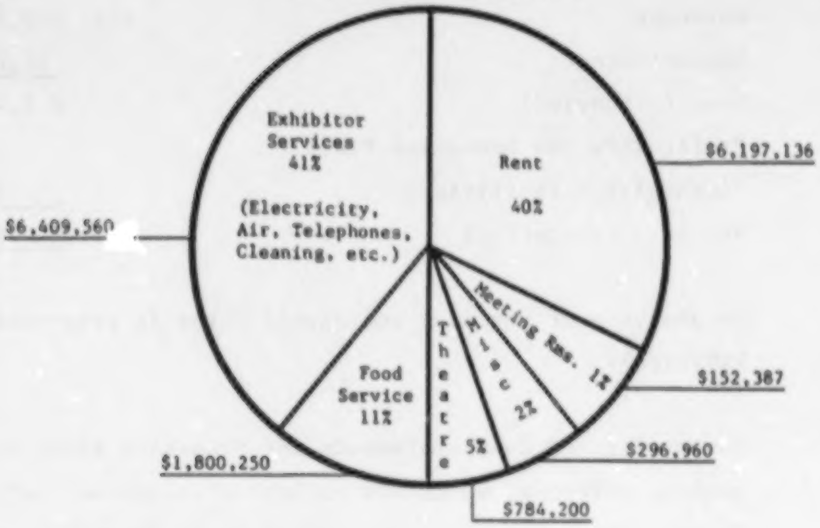
Location	Number of Shows Utilized	Rate/ Sq. Ft./ Event	Revenues From Space Rentals
Maxwell Hall	23	$.90	$3,029,600
Schoessling Hall	26	.75	2,203,600
Center Mall	19	.85	589,400
Concourse	13	.55	312,700
Lobby, Corridors	5	.52	61,836
Total (rounded)			$6,197,136

EXHIBIT 9

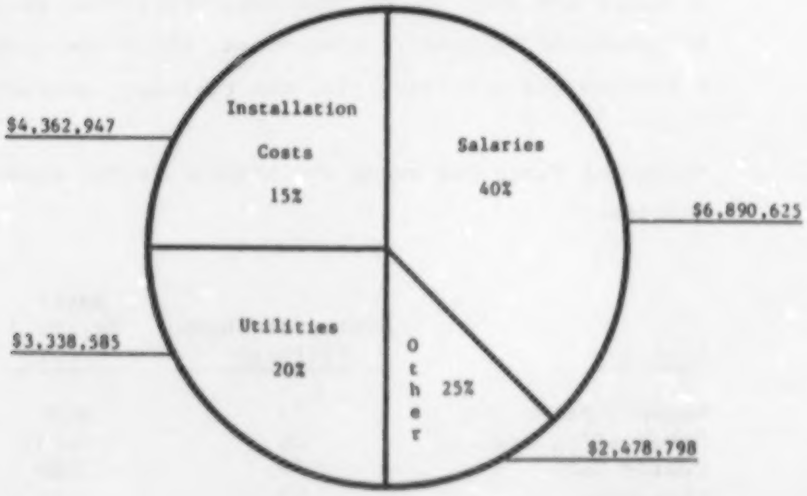
McCORMICK PLACE, CHICAGO

1982/1983
Fiscal Year

TOTAL REVENUE: $15,638,493
(excluding parking revenues)



TOTAL EXPENDITURES: $17,070,955



PROJECTED LOSS: $1,432,462

NOTE: Net parking revenues are in the order of $4.6 million.

Profit from the Donelley Place Exhibition Facilities	526,350
Net Loss (Projected)	$ 906,110

SOURCE: McCormick Place

The 1982 and 1983 rates have been in effect since July 1, 1979.

McCormick Place was destroyed by fire in 1967, but was rebuilt with the proceeds of a bond issue. The bond issue was serviced with the 33.5% tax from state horse racing.

Key lessons learned from McCormick Place include the following:

- A multi-level facility is desirable and workable when the amount of available land is limited.
- A multi-level facility can work well if truck access by ramp is created for every level, and if enough space for truck manoeuvring and on and off loading is provided.
- A site within reasonable proximity to downtown hotels and other facilities enhances the attractiveness of the facility.
- If a major objective of the facility is to generate travel to the city from out of town, the marketing emphasis of an exhibition facility must be on trade shows, not public shows.
- A high percentage of regular annual events is desirable in order to achieve a good utilization level and acceptable cost/benefit relationships.
- Energy conservation should be a major concern in the design of the building. McCormick Place is poorly designed from an energy-conservation point of view, and is recognized as having excessive heating and cooling costs.

- If a city is a major centre, the need for exhibition facilities is usually underestimated. In the case of McCormick Place, there is a significant shortage of space. Major expansion is being considered.

These and other lessons learned from Chicago have been considered and reflected in the preliminary plans.

2. Hannover, Germany

The Hannover Messe AG, with 4,998,020 sq. ft. of covered space in 23 halls, has the largest fairground in the Federal Republic of Germany. The fairground infrastructure has been built up to comply with the size and varying nature of the events staged. Seven halls have a central compressed air network, three halls have fixed crane installations, and six halls have direct railway siding facilities. The fairground service sector includes 46 restaurants, shopping passages, a pharmacy, police offices, fire brigade, post office, hairdresser, etc. Traffic facilities at the grounds are geared to peak requirements during the Hannover Fair in April.

Highways with up to six lanes lead to parking facilities for roughly 50,000 vehicles. The flow of traffic on the highway to the facility is reversible to clear the site within an acceptable period of time.

The car parking sites are the property of the Messe AG, as is the railway station on the site. The station has ten tracks, with separate passenger and goods ramps. In addition, the site is well serviced with streetcar and intermediate capacity transit systems.

Share capital of the Messe AG was contributed as follows:

City of Hannover	49.6%
County of Niedersachsen	49.6%
Other public authorities	0.8%

The Hannover Fair is attended every year by roughly half a million visitors from about 110 countries. Foreign professional visitors account for about 20% of attendance. The admission charge for visitors at the gate is $22.

Revenues from exhibition operations in Hannover were $57 million in 1981, and profits after taxes were $1 million. About 59% of all revenues came from the 8-day April Hannover Messe exhibition.

Average yearly revenues for the last three years (1979-1981) were $52 million, indicating that Hannover has been able to maintain its position in spite of increased competition from other centres nearby.

The average yearly turnover of space in Hannover is less than 1.5 (compared to 10 in Dusseldorf, 12 in Amsterdam, 10 in Brussels and 15 at Exhibition Place, Toronto). In spite of this low turnover of space, the fair organization still manages to be profitable. This profitability can be traced to the sheer size and high price levels of the Hannover Messe in April.

Key lessons learned from Hannover are as follows:

- An exhibition site can easily be too large. Hannover is a prime example of a site which has become so large (1 mile across) that visitors complain of excessive fatigue after large shows. Ideally, a site should be less than 0.6 miles across.

- To run an international class facility requires substantial organization and manpower. The fairgrounds operation in Hannover, Germany, for instance, has a permanent staff of 435, including subsidiaries (McCormick Place in the U.S., a smaller facility, has a permanent staff of 235).

- If Exhibition Place wishes to attract more international visitors and exhibitors, it should realize that competition is strong and that extensive marketing is required. The Hannover Messe-AG, for instance, is an organization with an extensive international marketing network. Its interests are taken care of by 55 agencies around the world and six representatives in Germany.

- Unsaleable "dead space" in exhibition halls can be prevented by locating major exits and entrances diagonally across the hall (in Hannover, Hall 4 is a problem hall, because this principle was not fully recognized when it was built).

- Exhibitions must be changed and adapted constantly to the changing needs of industry. The Messe-AG, which produces its own shows, has gradually abandoned the producer-oriented arrangement of displays in favour of the present system, which has exhibitions aligned according to consumer interests.

In the section below, we will compare the square footage of space available in Hannover with other centres.

3. A Comparison of Space Available at Major Centres

A comparison of the amount of covered space available at selected international-class facilities is as follows:

Facility	Covered Exhibit Area in Gross Sq. Ft.
Hannover fairgrounds	4,998,020
Frankfurt International Fairgrounds	1,892,800
Paris - Parc des Expositions	1,732,360
Dusseldorfer Messe	1,493,290
Palais du Centenaire, Brussels	1,130,220
McCormick Place, Chicago	1,056,000
Olympia and Earlscourt	1,000,000
National Exhibition Centre, Birmingham	981,000
The New York Convention/Exhibition facility (to be completed in 1984)	960,000
Paris - Paris Nord/Villepintes	700,000 (1st phase)
RAI Buildings, Amsterdam	720,000
Dallas	584,200
Houston (Astrohall only)	580,000
Las Vegas	500,000

While all these facilities are known as 'international class' facilities, it should be noted that, in most countries, especially in the U.S. and Canada, the exhibitors at events overwhelmingly represent companies from the country in which the facility is located. Thus, in each country, the market for exhibitions and events from the facility management's point of view is primarily a national market, with the international aspect being secondary.

Countries see their international-class exhibition facilities primarily as show cases for the goods produced within the country, and as a place to bring sellers in contact with national and international buyers. Support of these facilities is seen as support for export initiatives. The use made of the facilities indicates that, to a large extent, this initiative is successful.

The country with the greatest international component in its trade shows is Germany. German trade shows have historically presented comprehensive displays in each industry sector and, each year, over 70,000 exhibitors visit these fairs in addition to the six to seven million buyers and trade specialists.

It was found that all new facilities or recent expansions of international exhibition facilities were justified on the basis of the indirect benefits which they bring to the community. Facilities, in some cases, earn enough to cover operating costs, but none of the new buildings can earn enough, or is expected to earn enough, to fully cover the capital costs as well.

In the next section, the future demand for covered space at Exhibition Place is assessed.

F. THE FUTURE DEMAND FOR SPACE

The major demand for exhibition space in future will come from the market segments identified earlier in this report, trade shows, public shows, and related hybrids.[1]

The analysis of future demand is based on interviews with industry representatives, a selected survey of thirty local and non-local events, and a review of publications and reports. The findings are outlined below.

1. Base Data, 1982

Of the 450 trade, public and hybrid exhibitions held in Canada in 1982, Metro Toronto hosted 140 events. About 71 of the events in Metro were trade shows, and 69 were public or hybrid shows. Exhibition Place hosted 18 of the trade shows, and 31 of the public or hybrid events, providing this facility with market shares of 25% and 45%, respectively. The reason for the lower share for trade shows is the fact that many smaller trade shows are accommodated in hotels which have convention facilities, and at other venues. These shows are smaller than the average.

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[1] A hybrid show is a public show which has one or more days set aside for trade visitors only. Unless noted otherwise, we have included hybrid shows in the 'public show' category.

2. Growth in the Total Number of Exhibitions: The Three Scenarios

Based on interviews and an assessment of published and unpublished documentation, we have developed three scenarios for growth in the market for exhibitions to be held in Canada. These three scenarios are:

- a 'conservative' or low-growth scenario,
- a 'medium' scenario for market growth, and
- a 'high-growth' scenario.

All three scenarios start from a base market figure of 460 exhibitions in Canada in 1983. We have conducted the analysis for 'all exhibitions in Canada' in order to allow for a valid market share assessment.

The results of the market growth forecast are presented in Exhibit 10. This exhibit shows that under the "conservative scenario", the total number of exhibitions would be about 532 by 1990. Under the "medium" scenario, the number of exhibitions to be held during that year would be 580, and under the "high" scenario, the number of shows would be in excess of 600.

The 'conservative' scenario reflects the annual growth in the total number of exhibitions in Canada during the 1983-1993 period as follows:

EXHIBIT 10

THE THREE MARKET GROWTH SCENARIOS
(EXPRESSED IN TERMS OF NUMBER OF EXHIBITIONS)

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
1. "Conservative" scenario for market growth.										
A. Market growth rate	2%	3%	3%	3%	2%	2%	1%	1%	1%	1%
B. Number of exhibitions in Canada	460	469	483	497	512	522	527	532	538	543
2. "Medium" scenario for market growth.										
A. Market growth rate	3%	3½%	3½%	3½%	3½%	3½%	3½%	3%	3%	3%
B. Number of exhibitions in Canada	460	474	491	508	526	544	563	580	597	615
3. "High" scenario for market growth.										
A. Market growth rate %	4%	4½%	4½%	4½%	4½%	4½%	4½%	4½%	4½%	4½%
B. Number of exhibitions in Canada	460	478	500	522	545	570	596	623	651	680

Notes:

The "conservative" scenario for market growth asumes:

- National economic growth in the 0% to +1% range (annually)
- No investment for upgrading of the 220,000 sq. ft. of space in the Better Living Centre at Exhibition Place
- Rates of growth in the number of exhibitions as noted in this exhibit
- An annual growth in attendance of approximately 2% to 3%

The "medium" scenario for market growth assumes:

- National economic growth in the 1% to 2% range (annually)
- Renovation of the Better Living Centre at Exhibition Place so that it can be used year-round
- Rates of growth in the number of exhibitions as noted in this exhibit
- An annual growth in attendance of approximately 3% to 4% (this is slighly lower than Trade Show Week's forecast for attendance growth at the top 150 trade shows in North America)

The "high" scenario for market growth assumes:

- National economic growth in the 2% to 3% range (annually)
- Renovation of the Better Living Centre
- Annual growth in attendance averaging 5% to 6% (as is forecasted by Trade Show Week for the category it studied, the 150 largest trade shows in North America)

All scenarios assume the availability of at least 500,000 sq. ft. of additional newly constructed exhibition space at some location in Toronto.

	Approximate Annual Growth
In 1983 and 1984	2%
In 1985, 1986 and 1987	3%
1988 and after	1%

The 'conservative' scenario assumes real annual economic growth in the 0% to +1% range, no year-round availability of an additional 200,000 sq. ft. (in the Better Living Centre) at Exhibition Place, and an average annual growth rate in attendance at exhibitions of approximately 2% to 3%.

The 'medium' scenario reflects annual growth in the total number of exhibitions, as follows:

	Approximate Annual Growth
In 1984	3%
In 1985 to 1989	3½%
In 1990 to 1992	3%

The 'medium' scenario also assumes real annual economic growth in the 1% to 2% range, the renovation and availability of the Better Living Centre year-round, and a 3% to 4% annual growth in attendance at exhibitions.

The 'high' scenario reflects annual growth in the number of exhibitions in the 4% to 4½% range.

The analysis in the remainder of this report will be based on the 'medium' scenario as this most closely matches our expectations with respect to future performance in the economy and exhibition activity.

EXHIBIT 11

FORECAST OF THE NUMBER OF EXHIBITIONS HELD AND ANALYSIS OF MARKET SHARE (ASSUMING THE "MEDIUM" MARKET GROWTH SCENARIO)

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
A. THE MARKET										
Number of exhibitions (under the "medium" growth scenario)	460	474	491	508	526	544	563	580	597	615
B. EXHIBITION PLACE AND CONVENTION CENTRE										
Exhibition Place New and Renovated Buildings, plus Stadium	49	50	50	57	62	68	71	73	76	80
Market Share	10.7%	10.5%	10.0%	11.2%	11.8%	12.5%	12.6%	12.6%	12.7%	12.9%
Preliminary estimate of the number of exhibitions at the Convention Centre (incorporates information provided by C. Centre Mgmt.)	0	1	9	12	13	10[1]	10	10	9	9
Total number of exhibitions at Exhibition Place and Convention Centre Combined	49	51	59	69	75	78	81	83	85	89
Market share for Exhibition Place and the Convention Centre combined	10.7%	10.8%	12.0%	13.6%	14.3%	14.3%	14.3%	14.3%	14.4%	14.5%
C. TORONTO'S SHARE OF THE CANADIAN MARKET										
Number of Exhibitions at Exhibition Place and the Convention Centre	49	51	59	69	75	78	81	83	85	89
Number of Exhibitions in other locations in the Toronto-centred region (mainly small exhibitions)	94	96	97	98	99	103	107	111	115	117
Total exhibitions Toronto centred region	143	147	156	167	174	181	188	194	200	206
Total-region share of the Canadian market	31.1%	31.6%	31.8%	32.9%	33.1%	33.3%	33.4%	33.4%	33.5%	33.5%

3. Forecast of Exhibitions Attracted to Exhibition Place and the Convention Centre

Without any marketing or other promotional activity, Exhibition Place currently attracts about 49 exhibitions during the 'off-season'. Based on the results from interviews, a forecast of available space, and an assessment of markets, we forecast that, by 1990, Exhibition Place and the Convention Centre will capture 83 shows, or 12.6% of the Canadian market, up from 10.7% now. The Convention Centre will host about 1.7% of the exhibitions held in Canada that year, up from 0% today.

	Number of Exhibitions in 1990 Under the 'Medium Market Growth' Scenario	Market Share in 1990 Expressed in Terms of % of Total Number of Exhibitions
Total Number of Exhibitions to be Held in Canada	580	
Exhibition Place	73	12.6%
Convention Centre	10	1.7%

The growth in the number of events in the exhibition market reflects the increasing appeal of exhibitions as a marketing medium, the greater specialization in exhibitions, a greater availability of exhibition space, and improved marketing and exhibition organizing efforts by Canadian exhibition facilities.

A summary of the detailed analysis, including a forecast of the effect of the Convention Centre on the total number of exhibitions attracted to Exhibition Place, is provided in Exhibit 11. The exhibit shows the number of shows which could be attracted to Exhibition Place each year. It also shows the forecasted effect of the Convention Centre, the number of exhibitions in the facilities, and the respective shares of the market.

It was noted earlier that many conventions will attract exhibitions along with them. It is not the plan of the Convention Centre to focus on exhibitions and their pricing policy puts exhibitions secondary to conventions. Nevertheless, it will make sense for them to accommodate smaller scale exhibitions associated with conventions. This situation is reflected in the forecast. Large exhibitions associated with conventions would be accommodated at Exhibition Place and, therefore, a good quality transportation connection between the two facilities will be important.

4. The Characteristics of Annual Trade Shows

Trade shows which are produced annually or bi-annually are a main source of future demand for space at Exhibition Place. Growth in demand will consist of both new events and expansions of existing events. Annual events are the mainstay of the exhibition industry because they can be produced with maximum efficiency due to the 'learning' effect of reproducing the same show again and again. Therefore, these shows are the most profitable. "Rotating" exhibitions held either once or only every few years are events that usually disrupt schedules. They are attractive only because they are often very large, they give a facility significant attention and recognition, and they bring in a high percentage of out-of-town visitors.

Based on an examination of industry publications[1] and the results of interviews[2], the following characteristics have been identified for the major annual or bi-annual shows in the trade show category:

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[1] Trade Show Week; Canadian Industry Shows and Exhibitions, 1982; M&A Kalender 1982/83

[2] Interviews with Southex Exhibitions, Canadian Association of Exposition Managers, Industrial Trade Shows of Canada, and Ontario Marketing Productions.

- usually a spring or fall time-slot,
- an average stay for visitors of between 1 and 2 days,
- an average stay for exhibition personnel of about 4-5 days (excluding move-in and move-out),
- out-of-town attendance of about 50% of total visitor attendance per event, and
- an average of about 250,000 gross sq. ft. of exhibit space.

The above findings have been reflected in the assessment of the need for space at Exhibition Place during the next decade.

5. The Need for Space at Exhibition Place

The aggregate demand for exhibitions has been correlated with the amount of space which is required, and the optimum configuration has been developed.

The forecast of space required is an iterative process which relates demand that is variable through the year to space availability that is constant. It is uneconomical to build space that will only be occupied for a few days a year. Therefore, total demand in days is forecast, assuming unlimited space, and alternative space provision scenarios are tested against that until the target turnover standards are achieved. The results are shown in Exhibit 12.

EXHIBIT 12

EXHIBITION PLACE
000's OF GROSS SQ. FT. AVAILABLE)

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Existing Space to be Renovated													
Industry	151	151	151	151	151	151	151	0	151	151	151	151	151
North and South Extension	87	87	87	87	87	87	87	0	87	87	87	87	87
West Annex	98	98	98	98	98	98	98	0					
Coliseum	21	21	21	21	21	21	21	0	200	200	200	200	200
East Annex	110	110	110	110	110	110	110	0					
Subtotal A	467	467	467	467	467	467	467	0					
Renovated Space													
Automotive Building	160	160	160	160	160	160	160	160	perm. trade mart facility				
Queen Elizabeth	63	63	66	66	66	66	72	72	72	72	72	72	72
Subtotal B	690	69	693	693	693	693	699	232	510	510	510	510	510
Existing Space to be Made Suitable for Year-Round Use													
Better Living Centre	200[1]	200[2]	200	200	200	200	200	200	200	200	200	200	200
Subtotal C	890	890	893	893	893	893	899	432	710	710	710	710	710
New Space to be Added													
New Exhibition Hall	-	-	-	-	-	-	-	600	600	600	600	600	600
Subtotal D	890	890	893	893	893	893	899	1032	1310	1310	1310	1310	1310

The covered stadium is not available all year.

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Covered Stadium		-	-	-	200	200	200	200	200	200	200	200	200
TOTAL	890	890	893	893	1093	1093	1099	1232	1510	1510	1510	1510	1510

Note 1:

CNE only

Note 2:

Assumes that the BLC can be used for 5 months in 1984, and that 4 exhibitions can be held at the BLC in that year and 9 in 1985. For analysis purposes, the equivalent square footage available in 1984 has been established at 80,000 (total=770)

	Million Sq. Ft. Days Sold	Increase Over 1984	Space Available	Increase Over 1984
1984	99		770 (equivalent)	
1985	102	3%	893	16%
1986	107	8%	893	16%
1987	114	15%	1093	42%
1988	123	24%	1093	42%
1989	129	30%	1099	43%
1990	156	58%	1232	60%
1991	171	73%	1510	96%
1992	185	87%	1510	96%

In summary, the market is growing, and there is unsatisfied demand for show space for large exhibitions. The current turnover of space at Exhibition Place is high, in spite of generally sub-standard facilities. In the future, demand for exhibition space in Toronto will continue to grow, and high-quality buildings are required if the direct and indirect benefits are to be obtained from exhibitions.

It is evident from the research that many jurisdictions have decided that exhibition facilities are of benefit to their communities. The major facilities all appear to have achieved a measure of success. However, it is also recognized that this is a highly competitive business which requires entrepreneurial skill, effective marketing and sound management. The difficulties of achieving continued success should, therefore, be recognized and reflected in the organization and management of the facility.

In establishing the management structure, it should also be recognized that the Convention and Exhibition facilities are complementary. There are, therefore, benefits from co-ordinating the management of two facilities and many communities have recognized this.

The construction of a major capital facility which has to be skilfully marketed in subsequent years raises questions about the certainty of the longer-term forecasts of activity. In these circumstances, phased construction and the monitoring of the market are obvious ways to minimize risk.

A. DEMOGRAPHIC CHARACTERISTICS OF THE PRIMARY MARKET AREA

Demographic and related economic data provide the framework for evaluating the potential demand for a stadium. This section describes population and employment trends in the proposed stadium's primary market area. Historical and projected statistics provide a profile of the area's demographic composition over the last two decades and for the next twenty years, while personal income data provide an indication of purchasing power available in the market area.

1. Description of the Market Area

The primary market area for the proposed covered stadium is defined to be the following regions:

- Metropolitan Toronto
- Peel
- York
- Durham
- Halton

The primary market area, as seen in Exhibit 13, covers an area within an easy drive or public transit ride from Exhibition Place. The secondary market area extends north, east and west and covers an area within a 50 mile radius of the site. The tertiary market area covers an area within approximately 75 miles from Exhibition Place.

The definition of the proposed stadium's market area is based on discussions with the professional sports teams. The Blue Jays Baseball Club reports that over 80% of its ticket buyers live in the 5 regions which make up the primary market area. (Interestingly, 10% of Blue Jays ticket buyers live in western New York.) Information on professional teams in other cities

EXHIBIT 14

POPULATION AND INCOME CHARACTERISTICS - MAJOR LEAGUE METROPOLITAN AREAS

(U.S. AREAS IN U.S.$; CANADIAN AREAS IN CAN. $)

	Teams					Metro	
Metro Area	Football	Baseball	Basketball	Hockey	Total Population 1981 (000)	Area Median Household Income 1981	Households with Incomes Over $25,000 in 1981 % of Total
New York	NFC & AFC	NL & AL	X	X	9,078.0	19,029	34.6
Los Angeles	NFC	NL	X	X	7,513.0	21,231	40.5
Chicago	NFC	NL & AL	X	X	7,118.1	24,196	47.7
Philadelphia	NFC	NL	X	X	4,709.8	22,007	41.0
Detroit	NFC	AL	X	X	4,345.0	24,464	48.4
Boston	AFC	AL	X	X	3,658.5	22,029	41.3
San Francisco-Oakland	NFC & AFC	NL & AL	X	X	3,266.9	23,993	47.5
Washington, D.C.	NFC	-	X	X	3,071.3	26,217	53.1
Toronto	(CFL)	AL	-	X	3,060.0	27,754	65.6
Dallas-Ft. Worth	NFC	AL	-	-	3,023.5	22,409	43.1
Houston	AFC	NL	X	-	2,977.3	23,988	47.4
Nassau-Suffolk	-	-	-	X	2,611.5	27,693	58.0
St. Louis	NFC	NL	-	X	2,358.1	21,222	38.1
Miami-Ft. Lauderdale	AFC	-	-	-	1,042.8) 1,719.2)	17,573	30.8
Pittsburgh	AFC	NL	-	X	2,253.5	19,805	33.0
Montreal	(CFL)	NL	-	X	2,196.0	23,744	51.9
Baltimore	AFC	AL	-	-	2,180.6	19,388	31.9
Minneapolis-St.Paul	NFC	AL	-	X	2,127.6	22,303	41.5
Anaheim-Santa Ana-Garden Grove	-*	AL	-	-	1,972.3	25,925	52.6
Atlanta	NFC	NL	X	X	2,064.2	20,617	37.2
San Diego	AFC	NL	X	-	1,904.9	18,858	32.7
Denver	AFC	-	X	X	1,648.6	21,800	40.0
Seattle	AFC	AL	X	-	1,621.6	21,807	40.0
Tampa	NFC	-	-	-	1,605.0	13,923	21.1
Phoenix	-	-	X	-	1,559.8	18,890	32.2
Cincinnati	AFC	NL	-	-	1,403.3	20,656	36.9
Milwaukee	-	AL	X	-	1,399.4	22,204	40.8
Kansas City	AFC	AL	X	-	1,332.5	20,732	37.3
Portland	-	-	X	-	1,262.8	20,391	35.9
Buffalo	AFC	-	-	X	1,233.3	19,118	30.3
New Orleans	NFC	-	X	-	1,199.0	19,907	36.9
Indianapolis	-	-	X	-	1,171.4	21,014	37.2
Vancouver	(CFL)	-	-	X	1,086.7	26,023	65.8
San Antonio	-	-	X	-	1,086.7	18,058	31.2
New Brunswick, N.J.	-	-	X	-	595.8	26,503	55.1
Green Bay	NFL	-	-	-	176.7	20,496	32.7

*Los Angeles Rams moved to Anaheim in 1980

Source: Sales Management, 1981 Survey of Buying Power

[1] Toronto population as defined here includes 0.8 million from surrounding regions.

show that a major portion of their ticket sales are made to fans who live in an area similar or somewhat larger in size to the defined primary and secondary market areas. A study done in Minneapolis found that 80% of the Minnesota Twins ticket buyers came from an area within a 40-mile radius of Minneapolis. In Houston, officials estimate that about 80% of fans attending Astrodome events live within 50 miles of the facility. And in Buffalo, 80.9% of all season ticket holders of the Buffalo Sabres come from Erie and Niagara Counties (or about a 30-mile radius) according to a study done for the Sabres in 1980.

The economic and demographic analysis focusses on the primary market area. The experience of many professional teams indicates that the most significant portion of their fans comes from this area.

2. Population and Employment

The Metro Toronto market is the ninth most populous sports market in North America and the first in Canada, and has considerable appeal to professional sports clubs and organizers of mass entertainment events, as a result of its age and income characteristics (Exhibit 14).

The population characteristics resemble those of many major sports and entertainment markets: slow growth or no growth in the central areas and continued growth in the surrounding municipalities.

During the 1971-1981 period, the population of Metro Toronto grew 2.2%, to 2.1 million persons, while the population of Peel, York, Halton, Durham and Metro combined grew 16.6% to 3.4 million persons.

EXHIBIT 15

POPULATION AND EMPLOYMENT PROJECTIONS

In 000's of Persons, Unless Otherwise Noted

	1971	1981	1991	2001
Metro Toronto				
Population	2,073	2,118	2,146	2,274
Employment	994	1,210	1,303	1,387
Employment-to-Population Ratio	47.9%	57.1%	60.7%	61.0%
10-year Population Growth Rate		2.2%	1.3%	6.0%
Five Regions: Metro Toronto, Peel, Durham, York, and Halton				
Population	2,908	3,392	3,840	4,223
Employment	1,278	1,707	1,978	2,176
Employment-to-Population Ratio	44.0%	50.3%	51.5%	51.5%
10-year Population Growth Rate		16.6%	13.2%	10.0%

Source: Metro Toronto
Planning Department Official Forecast

The underlying trend is expected to continue during the 1981-1991 period. Metropolitan Toronto's Planning Department estimates that the Metro population will increase 1.3% to 2,146,000 people during this period, while the combined population of the five regions increases 13.2% to 3,840,000.

Beyond 1991, the forecast becomes more uncertain. The Planning Department expects growth in the surrounding regions to slow down to 10% for the decade 1991-2001, while the growth rate in Metro itself is expected to increase to 6% for the same period.

The employment-to-population ratio in Metro Toronto is expected to increase from 57% in 1981 to 60.7% in 1991. In the five-region area, this ratio is forecast to rise from 50.3% in 1981 to 51.5% in 1991. This increase will affect the market's ticket purchasing power positively.

A summary of population and employment history and projections is provided in Exhibit 15.

Personal Income

Personal disposable income levels in and around Toronto are high. In the five regions of primary interest, the average disposable income will be $12,029 in 1982, or 23% higher than the Canadian average. Peel Region has the highest disposable income levels, with $13,149 per capita, or 37% above the Canadian average. Within the primary market, Durham has the lowest, with $10,556, or 8% above the Canadian average.

The primary market area has 12.9% of the Canadian population, but accounts for $14.3 billion, or 17.1% of its disposable income.

A breakdown is as follows:

	Metro Toronto	Peel	York	Halton	Redefined Durham	Total
Per Capita Personal Disposable Income 1982 ($)	11,644	13,419	12,518	13,465	10,556	12,029
Personal Disposable Income 1982 ($ million)	24,850	6,870	3,270	3,490	2,810	41,300
Income Rating Index (Average for Canada = 100)	119	137	128	137	108	123

Source: Financial Post Canadian Markets 1983.
(published in 1982)

Thus, Toronto is rated ninth among major sports markets in North America, is a growing market, and has high levels of per capita disposable income.

B. THE KEY MARKET SEGMENTS

The key revenue segments of interest to a covered stadium complex in Toronto are as follows:

- Football.
- Baseball.
- Soccer.
- Concerts.

EXHIBIT 16

PAID ATTENDANCE, EXHIBITION STADIUM

	Latest Estimate 1982 (August)	Actual 1981	Actual 1980	Actual 1979	Actual 1978	Average 5 yrs.
Football	400,000	320,000	399,000 (1)	366,000	472,000	
Baseball	1,275,000	755,000 (2)	1,400,000	1,432,000	1,563,000	
Soccer	120,000	104,000	200,000	150,000	-	
Concerts	110,000	-	70,000	150,000	166,000	
C.N.E. Shows	240,000	241,000	225,000	237,000	237,000	
Amateur and Misc.	55,000	29,000	15,000	21,000	21,000	
	2,200,000	1,449,000	2,309,000	2,356,000	2,459,000	2,154,600
Number of Events	142	116	141	145	125	133
Average Attendance per Event	15,493	12,491	16,375	16,248	19,672	16,200

Sources: Metropolitan Audit Department and Exhibition Stadium Management.

Note 1: In 1980, the Grey Cup game was played in the stadium.

Note 2: In 1981, 24 baseball games were cancelled due to the players' strike.

Note 3: Figures based on August 1981 estimates.

- CNE shows.
- Exhibitions.
- Amateur, community, high school, college, religious events, and miscellaneous.

Data on past and current attendance at events for each of the market segments identified have been summarized. The data indicate that baseball currently accounts for 1,275,000 out of 2,200,000 tickets sold, or 58% of the total (Exhibit 16). It is followed by football, with about 18% of all tickets sold. CNE shows account for 11% of attendance, and soccer for approximately 5%. Concert attendance varies widely, depending on the number and type of events held. In 1982, concerts will account for approximately 5% of all tickets, while amateur and miscellaneous events account for only 3%. The current open-air stadium is not used to a significent extent for exhibitions.

Average paid attendance per event in 1982 will be about 15,493, which is close to the average attendance for the last five years. This average does not include the Grey Cup game, which is an irregular event, and will likely not be attracted again to an open-air facility.

C. USE OF THE STADIUM

Use of the stadium is heavily concentrated in the summer months, since the existing stadium is an open-air facility.

The exhibit below shows the usage patterns by month, including move-in and move-out days, in 1982.

Analysis of Exhibition Stadium Use, 1982

	Number of Days	Number of Events	Move-In	Move-Out	Hold By Contract	Days Without An Event
January						31
February						28
March						31
April	14	14	0	0	1	15
May	17	17	2	1		10
June	23	23			1	6
July	20	20			3	8
August	28	39				3
September	17	19				13
October	7	7				24
November	3	3			8	19
December						31
TOTAL	129	142	2	1	13	119

The total 1982 number of event days (excluding move-in-out, and "hold by contract" days) is 129. The 8 "hold by contract" days in October are related to the Grey Cup. Note that these estimates were compiled in September, 1982, and since that time, four additional dates were confirmed for a total of 133 days of use.

The stadium is seldom used for November and April when the weather is poor, and not at all during the four winter months.

A covered stadium would attract more visitors for several reasons:

- A covered stadium is likely to attract more out-of-town visitors because fans are more willing to make a lengthy trip if they know they do not risk having to watch the event under bad weather conditions.

- During 'bad weather' days, the number of visitors from the stadium's normal market area can be expected to be significantly greater than it would be in an open facility.

- The number of events which could be held during a 12-month period is about 45% greater than in an open-air facility.

D. CURRENT ATTENDANCE, TEAM NEEDS, AND CURRENT REVENUES

Attendance patterns, team needs, and past and current Stadium Corporation revenues have been analyzed, and key findings are presented below for each of the market segments identified. In addition, a summary of advertising and concession revenue structures is provided.

1. Football

Unlike baseball and professional soccer, football has been played at Exhibition Stadium for over a decade. This allows a meaningful comparison of long-term attendance trends and 5-year comparisons. In analyzing attendance records, we found that, during the period 1972 to 1976, average yearly attendance was 349,000. During the 1977 to 1981 period average attendance has increased 14%, to 398,000, Exhibit 17 (opposite).

Within the 1977-1981 period, however, attendance declined from a high of 454,000 in 1977 to a low of 324,000 in 1981. The analyses in this report were completed prior to the completion of the 1982 season. The forecast for total attendance, which was used in these analyses for 1982, was 400,000 paid admissions.

Attendance at Argonaut home games has consistently been above the average attendance for all CFL games. This difference ranged from a high of + 59% in 1976 to a low of + 7% in 1981. The weaker attendance figures in recent years, with the exception, of course, of 1982, can be traced mainly to the fans' disillusionment with the team's performance during those years. In fact, during the period 1977 to mid-August 1982, attendance patterns showed a strong downward trend (Exhibit 18, over).

EXHIBIT 17

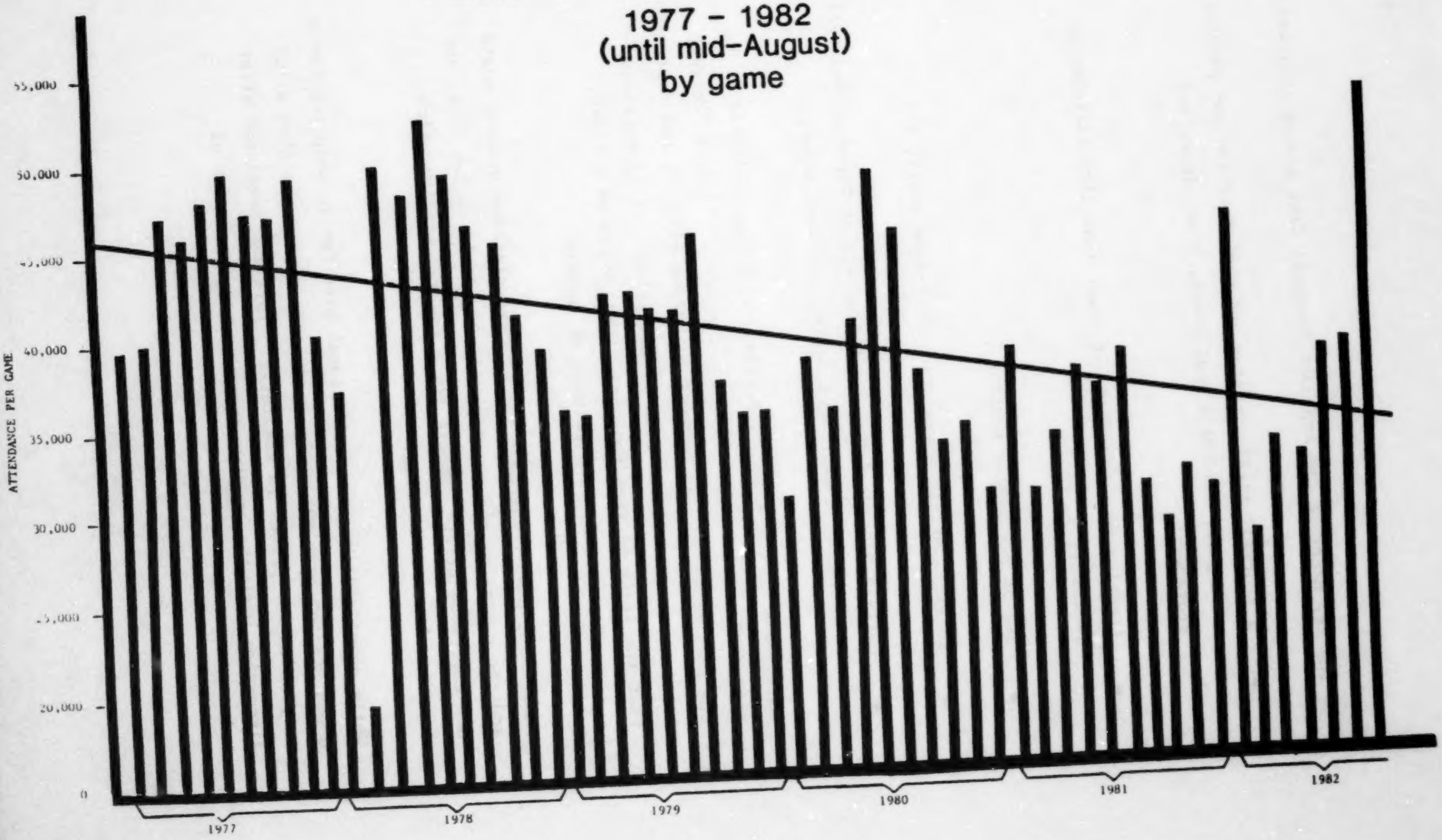
ATTENDANCE AT FOOTBALL GAMES
1972-1981

	All 9 CFL Teams				Average Per Team	Exhibition Stadium (Toronto Argonauts)		% Difference, Argonaut Attendance versus CFL Average
	Pre-Season	Season	Per Season	Total	Total	Yearly Total	5 Yr. Average	
1981	418	2128	185	2731	303	324		+ 7%
1980	434	2117	178	2729	303	372		+23%
1979	447	2237	200	2884	320	391	398	+22%
1978	429	2292	193	2914	324	447		+38%
1977	388	2254	201	2843	316	454		+44%
1976	388	2030	153	2571	286	454		+59%
1975	354	1827	126	2307	256	369		+44%
1974	311	1677	115	2103	234	328	349	+40%
1973	251	1675	117	2043	227	298		+31%
1972	369	1584	139	2092	232	297		+28%

EXHIBIT 18

ARGONAUT HOME GAME ATTENDANCE

1977 - 1982
(until mid-August)
by game



The key needs of the Argonaut Football Club are as follows:

- a football field prepared and marked before the playing of each game, including goal posts, time clock, and scoreboard,
- lighting to a standard not lower than that existing on September 1, 1976,
- use of all public seating,
- services of all necessary day-of-game staff, and
- certain playing dates, including either Tuesday, Wednesday or Thursday in each week during July and August.

Management of the Argonaut Football Club has indicated to us that the current stadium has too few seats (25,000) "between the goal lines". This hampers marketing efforts, and depresses total revenue available from ticket sales. It is estimated that the seats between the goal lines, which sell first, account for seventy-five percent of revenue.

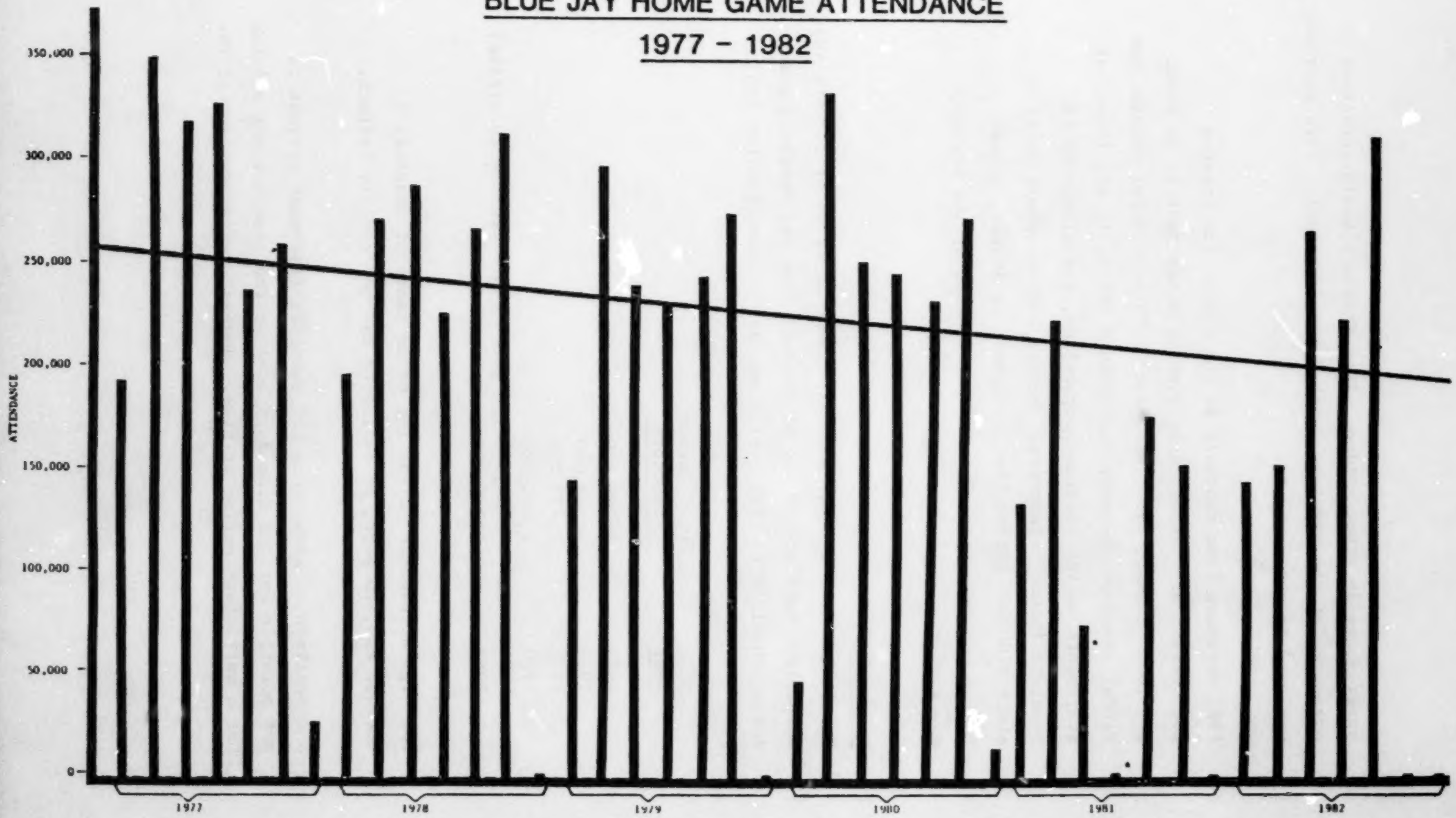
Management also feels that the average distance between seats and the centre of the existing playing field is too long, and has expressed strong support for a covered stadium which contains improved seating.

While negotiations for an additional user fee to help pay for a domed stadium have yet to be conducted, we believe that a 10% levy on ticket prices is realistic. This was developed after discussion with the stadium management and a review of

EXHIBIT 19

BLUE JAY HOME GAME ATTENDANCE

1977 - 1982



* Due to the player strike from June 12, 1981 to July 31, 1981, attendance figures for these months have not been included in the regression calculation.

BY MONTH

experiences in other cities. This approach would represent an extension of the previous surcharge arrangement. This approach was used in the analysis.

1982 revenues from football to the Exhibition Stadium Corporation are estimated by stadium management to be about $557,600 (August, 1982, estimate). This excludes private box rental revenues and user fee revenue which, in the financial statements of the Stadium Corporation, are allocated to separate income categories. Actual 1982 revenues could be about $200,000 higher than estimated in August, primarily because of this season's good performance by the Argonaut Football Team.

2. Baseball

Baseball is the largest market segment in terms of tickets sold annually. Paid attendance at Toronto Blue Jay baseball games during the 1978 to 1982 period was as follows (Exhibit 19):

Year	Total Season Attendance	
1977	1,701,000	
1978	1,563,000	
1979	1,432,000	
1980	1,400,000	
1981	755,000	(24 games cancelled due to strike)
1982	1,275,000	

The high attendance during the early years of baseball in Toronto can, in part, be explained by the "novelty" effect.

A comparison of attendance for multiple five-year periods is not possible for the Blue Jays because the team has not existed for a sufficient period of time. However, an assessment of the

EXHIBIT 20

ATTENDANCE AT MAJOR LEAGUE BASEBALL GAMES
(in millions of spectators)

Year	Regular Season		Total Includes Playoffs and World Series
	National league	American League	
1960	10.7	9.2	20.3
1965	13.6	8.9	22.8
1970	16.7	12.1	29.2
1975	16.6	13.2	30.4
1977	19.1	19.6	39.5
1978	20.1	20.5	41.4
1979	21.2	22.4	44.3
1980	21.1	21.9	43.7
1981	Strike Year		

long-term trend for the American and National Leagues as a whole provides two interesting findings. First, the impressive growth in baseball attendance since 1960 cannot be explained by expansion alone (Exhibit 20). During the 1960 to 1981 period, live attendance at professional baseball games rose 115%. This happened during a period when the number of channel options on TV and the amount of TV sports programming increased dramatically.

Second, attendance has stabilized in recent years. In 1978, total attendance was 41.4 million. In 1979, it increased to 44.3 million, but, by 1980, it has dropped back slightly to 43.7 million.

The management of the Blue Jays feels strongly that attendance at baseball games would increase in a domed stadium. The team is improving (the Jays won 78 games in 1982), but the existing stadium is still effectively "sold out" when 30,000 tickets have been sold. Management believes that the fans refuse to accept very poor seats in the peripheral areas, and that at least 40,000 good seats are required. (Peak attendance in the past has been 44,000 for a Blue Jays-White Sox game.)

The other needs of the Toronto Blue Jays Baseball Club include the following:

- a field with seats between the foul poles,
- a marked baseball field, with outfield fences in place,
- flood lighting equipment to major league and television standards,
- dressing rooms, a batting cage, a backdrop screen or "batter's eye", three screens for batting practice, Hollywood bases, two bullpens, chalking machine,

- about twelve thousand sq. ft. of office space, and
- a public address system, score board and press facilities.

During the baseball season, consistent with current contractual agreements, the Blue Jays Baseball Club wishes to have scheduling priority over all other events at the Stadium, except those for the CNE.

Revenues from baseball to the Stadium Corporation for 1982 are estimated by Stadium Management to be $523,000. This excludes revenues for private boxes, tarps and storage rental revenues.

3. Soccer

Soccer is currently far less important to the Stadium Corporation as a generator of audiences and revenues than football or baseball.

The attendance at Blizzard soccer games in recent years has been varied:

1978	0
1979	150,000
1980	200,000
1981	104,000
1982 (estimate)	120,000

The variances can be explained largely by the occurrence of special international games in the peak years. A summary of attendance by game is shown graphically in Exhibit 21.

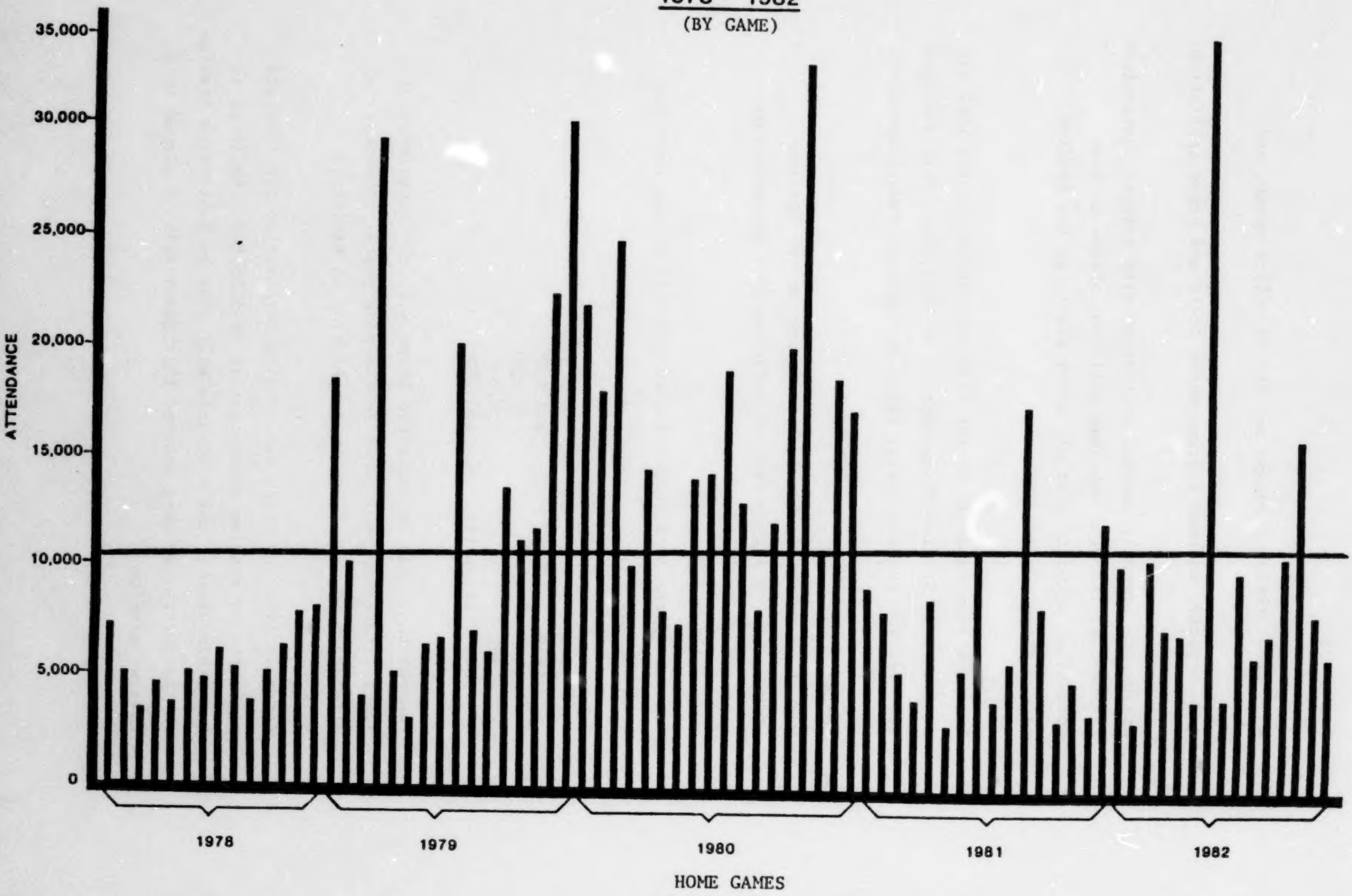
Revenues from soccer to the Stadium Corporation for 1982 are estimated by stadium management to be $205,800. While it is uncertain whether the Blizzards will play at Exhibition Stadium in the future, we have assumed that games will be played in a covered stadium.

EXHIBIT 21

BLIZZARD HOME GAME ATTENDANCE

1978 - 1982

(BY GAME)



4. Concerts

Concert attendance from 1978 to 1981 at Exhibition Stadium - excluding CNE concerts - were as follows:

1978	166,000
1979	150,000
1980	70,000
1981	0

A preliminary estimate for attendance during 1982 is 110,000, and stadium management estimates revenues from concerts (excluding "The Who" concert) to be $80,300 for 1982.

5. CNE Shows

CNE shows are not significant revenue generators to the Stadium Corporation, but attendance figures are high. From 1978 to 1982, yearly attendance ranged between 225,000 and 241,000.

In Exhibit 16, paid attendance at the Exhibition Stadium has been provided for the CNE and other categories of activities for the past five years, together with the total number of events and average attendance per event.

6. Amateur and Miscellaneous Events

Paid attendance for amateur and other events at the existing stadium has been relatively low:

1978	21,000
1979	21,000
1980	15,000
1981	29,000
1982 (estimate)	55,000

The base estimate for revenues from such events in 1982 is $78,600. In a covered stadium, these community events would not be expected to pay normal rental fees, but would be able to

EXHIBIT 22

EXHIBITION STADIUM
ANALYSIS OF OPERATING REVENUES AND EXPENSES
1981 AND 1982

	1981 $000	%	1982 (August Estimate) $000	%
Football Revenue	426.7	26	557.6	23
Baseball Revenue	313.7	19	526.9	21
Soccer Revenue	127.3	8	205.8	8
Other Events Revenue	87.4	5	67.0	3
Amateur Revenue	17.2	1	13.6	1
Concerts Revenue	0.0	0	80.3	3
Scoreboard Revenue	0.0	0	160.0	6
Tarps & Storage Rental Revenue	50.0	3	62.5	3
Private Box Revenue	268.0	16	310.6	13
Interest & Misc. Revenue	57.0	3	26.0	1
User Fee Revenue	311.4	19	448.8	18
TOTAL REVENUE	1,658.7	100	2,459.1	100
Administration Expenditure	442.7	33	480.8	29
Special Projects Expenditure	66.0	5	221.5	13
Football Expenditure	339.1	24	373.2	22
Baseball Expenditure	376.7	28	432.4	26
Soccer Expenditure	126.2	9	142.5	8
Other Events Expenditure	(26.6)	(2)	(21.6)	(1)
Amateur Expenditure	7.3	1	27.2	2
Concerts Expenditure	0.0	0	26.4	1
TOTAL OPERATIONAL EXPENDITURES	1,331.4	100	1,682.4	100
GROSS REVENUE (Before Depreciation, contribution to the Capital Improvement Fund, and debt charges)	327.3		776.6	

Note 1: Provisions for capital improvement reserve fund are 448.8 in 1982 (latest estimate), and were 311.4 in 1981 (in $000's).

Note 2: Debt charges are 1,174.3 in 1982 (latest estimate), and were 1,277.8 in 1981.

rent the building for the variable day-of-event costs. In other stadia, attendance for these types of events has been larger.

7. Advertising

A company called Harcom has the rights until 1992 to sell and exploit sponsorships, advertising and promotions throughout the existing Exhibition Stadium. These funds were used by the Stadium Corporation to purchase the advertising rights and the scoreboard from Stewart-Warner, the previous owner of the rights and the builder of the scoreboard.

The existing agreement will be in force until May 30, 1992, unless it is re-negotiated.

8. Concessions

Contractual agreements between Exhibition Stadium Corporation and VS Services Ltd. now allow VS Services complete rights to provide concession services.

The contract between VS Services and Exhibition Stadium Corporation requires VS Services to supply, install, operate and finance concessions for the sale of food, beverages and tobacco products in the Stadium and its dining lounge through to December 31, 1991. These services are to be provided for the Toronto Argonaut football games, approximately 80 Toronto Blue Jays baseball games, Blizzard soccer games, and the grandstand shows at the North Grandstand during the Canadian National Exhibition. VS Services also has a separate contract with the Blue Jays Baseball Club.

9. Total Operating Revenues and Expenses

Exhibit 22 provides 1981 and estimated 1982 operating revenues and expenditures for the Exhibition Stadium Corporation from baseball and other events at the stadium. In 1981, total

EXHIBIT 23

CRITERIA USED TO DETERMINE THE EFFECT OF WEATHER ON GAME ATTENDANCE

Criteria Used in This Analysis to Define Poor Weather:

- a mean daily temperature of less than 9°C combined with a wind speed of greater than 16km/hr

  and/or

- rain or other form of precipitation.

If, however, the mean daily temperature was greater than 18°C and the day had more than 6 hrs of sunshine, the game day was not considered a poor weather day if precipitation was less than 4 mm

Criteria Used in This Analysis to Define 'Good Weather'

- a mean daily temperature of greater than 17°C,
- no precipitation, and
- a wind speed of less than 20 km/hr if the temperature is less than 25°C.

operating revenues were $1,658,700, while expenditures were $1,331,400. In 1982, revenues are estimated by management of the Stadium Corporation to be $2,459,100, and expenditures $1,682,400. Comparative figures for 1976 to 1980 are provided in Appendix VI. The key trends are generally increasing revenues and expenditures, with the exception of 1981 (baseball strike), and no years where operating expenses exceeded operating revenues.

The above information provides base data which are required for forecasting purposes. In addition to this base data, indicators are needed to estimate the effect of weather on game attendance. To obtain an approximate indication of what the effect of poor weather might be on attendance at games, we conducted the analysis which is described below.

E. THE EFFECT OF WEATHER ON GAME ATTENDANCE

We conducted a bibliographic search to determine whether research has been conducted elsewhere on the effect of weather on game attendance. Very little research appears to have been done on this matter, undoubtedly due mainly to practical difficulties in arriving at meaningful conclusions.

In order to obtain indications of the effect of inclement weather on game attendance in Toronto, we obtained baseball attendance records and weather records for Toronto for 1980 (the last year for which full-year data were available), and prepared a statistical analysis. Specifically, the following steps were undertaken.

1. Criteria were developed to define 'good weather' and 'poor weather'. (These criteria are listed in Exhibit 23.)

2. Each of the games played in 1980 was matched against weather information for that day obtained from the weather bureau.

EXHIBIT 24

EXHIBITION PLACE

ATTENDANCE AT BASEBALL GAMES DURING "GOOD WEATHER" AND "POOR WEATHER" DAYS IN 1980

	"Poor Weather" Days Selected From All Games Played in 1980	"Good Weather" Days Selected From All Games Played in 1980	Difference	% Increase
Number of Total Games	28	30		
Weekdays				
Number of Games on Week Days	15	20		
Average Attendance	14,815	19,198	4,383	+ 30%
Week-end Days				
Number of Games on Weekends	13	10		
Average Attendance	20,359	23,937	3,578	+ 18%

EXHIBIT 25

EXHIBITION PLACE
ATTENDANCE AT BASEBALL GAMES
DURING "GOOD WEATHER" AND "POOR WEATHER" DAYS IN 1980(1)

	"Poor Weather" Days Selected From All Games Played in 1982	"Good Weather" Days Selected From All Games Played in 1982	Difference	% Increase
Number of Total Games	27	17		
Weekdays				
Number of Games on Week Days	16	13		
Average Attendance	13,713(2)	17,380	3,667	+ 27%
Week-end Days				
Number of Games on Weekends	11	4		
Average Attendance	15,680	19,329	3,649	+ 23%

(1)For 1982, similar criteria were used to define "poor weather" and "good weather" with the exception that wind speed data were unavailable.

(2)The 1982 Blue Jays' home opener played on Friday, April 9, 1982, with an attendance at 30,216, has been included as a "poor weather" day. The typically high attendance for a home opener has increased the average attendance on a poor week day for the season, somewhat lessening the difference between "good weather" and "poor weather" average attendance.

Note:

A weather/attendance analysis has not been conducted for the 1981 baseball season due to the interruption of scheduling caused by the players' strike.

3. The criteria listed were applied against the weather information.

4. The game days which met our criteria of 'poor weather' were identified.

5. The game days which met our criteria of 'good weather' were also identified.

6. A distinction was made between games played during weekdays and games played during weekends.

7. The attendance figures for 'poor weather' days and 'good weather' days were recorded.

While realizing that there are many factors which determine attendance, it was felt that the large size of the sample would "average out" some of the differences attributable to the non-weather factors.

The result of the analysis suggests that, when the weather is poor during weekdays, at least four thousand people stay home who might otherwise have come to the stadium. During weekends, at least three thousand fewer people attend if the weather is unattractive. The exact results of the analysis are presented in Exhibits 24 and 25 (over).

The difference in attendance is statistically significant, and suggests that there is a numerical basis for the common sense observation that a certain percentage of all fans will stay away from the ballpark if temperature, precipitation and wind speed conditions are unattractive. However, the analysis does not measure the impact on attendance caused by the unpredictability of weather conditions.

A number of public comments have referred to the possibility that attendance at a covered stadium would not be as great if ideal weather conditions exist because some fans attend sports events only in an outdoor environment. This situation was not analyzed since there is no evidence from other covered stadia that such a relationship exists.

In addition to the above analysis, we evaluated the effect domed stadia had on attendance at sporting events in other cities. While, in general, attendance at domed facilities was significantly higher than attendance at the previous open-air ball parks, a number of other factors usually came into play which made it impossible to attribute the increase solely to the fact that the facility had been enclosed. For instance, most of the domed facilities were larger than the previous facilities, the locations were different and the fortunes of the team had changed. Because of this uncertainty, it was decided to adopt a conservative approach to forecasting attendance and revenues.

F. THE IMPACT OF PAY TV ON SPORTS ATTENDANCE

Pay TV is expected to have an effect on attendance at sports and other live events in the long term. Much will depend on how technologies evolve.

In the United States, the major networks ABC, CBS, and NBC have already experienced market share loss to Pay TV. In 1979, according to the Association of Canadian Advertisers, they secured an average of 92% of the viewing audience. A year later, it had dropped to 88%. In 1982, their share is expected to be 84% to 85%.

In spite of this decline, however, the networks expect to maintain a large majority of the viewing audience for the next ten years.

Pay TV will not only be available in areas with cable. Already, Ontario Independent Pay Television has signed a contract with North Star Home Theatre to make its Super Channel's sports and movies programming directly available to non-cable homes via satellite. North Star will supply 1.8 meter satellite receiving discs and descrambling equipment to individual subscribers. The fee for users of this service is estimated to be $15 to $18 per month, plus rental or purchase of the $1,500 receiving equipment.

Pay TV subscribers will have a wider access to choice sports programming than regular viewers, and this could adversely affect live attendance at sports games in the stadium at Exhibition Place. However, the magnitude of the effect on sports will be tempered by a number of factors:

- The price, which is already about $30 per month for two main Pay TV channels, and is expected to rise further, will slow down introduction. Thirty dollars is more than many families spend per month on movies and sports admissions combined.

- TV viewers in Canada already have a wide choice of channel options.

- The amount of top-flight programming available to Pay TV is expected to be limited.

- People who attend live sports games at a stadium experience the event in a different way from people who watch a game on television. In other words, they get different 'benefits'.

- Pay TV will not be able to fulfill all the entertainment needs of the public, especially the segment of the public which likes to enjoy live entertainment.

- People who attend games obtain benefits which a television viewer does not. These include
    - being out of one's house,
    - game pageantry,
    - the ability to see the entire field,
    - the sociability of the crowd,
    - a possible feeling of elation,
    - elements of prestige and the 'I was there' factor, and
    - the amenities of the sports facility.
- While there is a market for quality sports and movie programming which Pay TV will service, it is much smaller than the current mass market which conventional TV reaches.

With respect to the effect of Pay TV on live attendance at sports games, we believe that the following is likely to take place.

- During the next five years, the impact of Pay TV on live attendance at the stadium in Toronto will be limited. There will be relatively little change in the way sports television is delivered to the viewer, and stadium attendance will not be measurably affected by Pay TV.
- Beyond the five-year horizon, more and more sports events could move from free TV to Pay TV, and the total number of games available to the TV viewer will probably increase.
- Owners of teams will become progressively less dependent on stadium ticket sales for their revenues because of Pay TV revenues, and stadium attendance will be affected more significantly by the fact that commercial-free reception of a wide range of games is possible at home.

- Stadium organizations which have agreements allowing them access to a share of Pay TV revenues will benefit from such agreements.

Forecasts of the effect of new communication technologies on live attendance will be discussed later in this chapter.

G. EXPERIENCE IN OTHER CITIES WITH COVERED STADIA

A number of lessons can be learned from the experience of other cities with covered stadia. First, we will outline key general findings, and then discuss the specific projects in other communities with covered stadia.

The key general lessons with respect to construction and marketing are as follows.

Construction

a. For a covered stadium, proven design concepts must be used to reduce the risk of costly construction cost overruns.

b. The planning process must be well executed.

c. An adequate lead time must be provided prior to the start of construction.

d. "Fixed cost" contracts for construction have proven their value in several cities. These cities include Vancouver and Minneapolis.

e. Management and cost controls during the construction must be very tight.

Marketing

a. Good teams are not sufficient in themselves to ensure large ticket sales for sports events. Good management, adroit marketing, and a high quality stadium are critical for long-term success.

b. The "middle-aged" group of consumers is the fastest growing market segment of the future. Its main characteristics are as follows:

- high disposable incomes due to a preponderance of two-income families,
- unwillingness to accept uncomfortable circumstances while attending public exhibitions, sporting events, mass entertainment events and related activities,
- seeking a high level of personal satisfaction from leisure time activities,
- demanding quality and expecting to pay for it, in spite of difficult economic times,
- eager to find diversion from regular patterns of (work) activity, and
- seeking involvement.

A stadium and its programming must be responsive to this fast-growing group of customers if it is to succeed.

c. The provision of additional amenities in or near the covered stadium to provide during and after-the-game entertainment is important to satisfy market needs.

d. The level of demand for seats at professional sporting events is determined by, in order of importance:

- quality of the home team,
- quality of the opposing team, and
- the weather.

Knowing that a facility is covered takes away uncertainty about the weather in the mind of sports fans, and gives them another reason to visit the stadium if the weather is good.

Below, we will highlight construction costs and relevant experience with new stadia in Vancouver B.C.; Pontiac, Michigan; and Seattle, Washington. Appendix XVI provides summaries of the experience of selected other communities which have domed stadia.

1. Vancouver, British Columbia

The covered stadium in Vancouver is in an advanced state of construction, and the flexible roof of the stadium was raised in mid-November, 1982. The construction management's estimate of total construction costs is $126 million, broken down as follows:

1.	General requirements (site preparation, equipment, tools, offices and site work, excavation, backfill, artificial turf)	$ 16,832,000
2.	Concrete	$ 24,806,000
3.	Masonry, metals (ring beam, railings, miscellaneous) wood and plastics, and thermal and moisture protection.	$ 6,674,000
4.	Doors and windows, and finishes.	$ 4,812,000
5.	Specialties (scoreboard, tickets, washroom accessories).	$ 5,875,000
6.	Furnishings (seating).	$ 8,606,000
7.	Special construction (roof).	$ 9,228,000

8.	Conveying systems (elevators), and equipment (garbage disposal, loading dock).	$ 423,000
9.	Mechanical, electrical and controls.	$ 19,508,000
10.	Allowances (concessions, restaurant, etc.)	$ 11,325,000
11.	Construction Manager's fee.	$ 3,300,000
12.	Owner's contingency and design costs.	$ 14,611,000
	TOTAL	$126,000,000

The facility is owned by British Columbia Place, a provincial Crown Corporation, and is being promoted to accommodate the following types of events, among others:

- **football**
- **baseball**
- **soccer**
- **tennis**
- **equestrian events**
- **track & field**
- **gymnastics**
- **motorcross**
- **trade shows**
- **consumer shows**
- **concerts**
- **public meetings**
- **religious meetings**
- **circuses**
- **community events**
- **thrill shows**
- **rodeos**
- **Transpo '86**

The stadium seats 60,000, and can be converted to a "half stadium" in hours. It has 230,000 sq. ft. of exhibit space, and is within walking distance to hotels. It has parking for 2,000 cars on-site, and about 35,000 off-site. The on-site parking can also accommodate 200 buses.

The CFL has selected Vancouver as the site for the 1983 Grey Cup because the city con offer the covered stadium for the game. The stadium has also been selected for the North American Soccer League Soccer Bowl in September, 1983.

2. **Pontiac, Michigan**

Built for $46 million in 1975, the Pontiac Silverdome is home for the Detroit Lions football team and the Pistons basketball team. The stadium has a flexible, teflon-coated roof, which provided good construction economies, and provides for an 'airy', open feeling in the space. During the recent Superbowl XVI, when the outside air was below freezing with strong winds, 82,000 fans enjoyed the game in a windless and comfortable 72° environment inside the stadium.

The facility was built under a fixed fee contract, with a construction management firm taking bonded responsibility for completion on time and at cost.

The facility is not as heavily used as a similar facility in Toronto would be. It does not have a professional baseball team, for instance, and is located outside the Detroit Metro area.

The size of Pontiac, and the competition of other large facilities in Detroit has led to some difficulties for the local taxpayers in absorbing the cost of the facility. Maintenance has been poor because the income is needed to pay the interest and principal on the capital debt.

3. **Seattle, Washington**

The King County Stadium, or "Kingdome" is located at the southern edge of downtown Seattle, and has been in operation since March, 1976. Voters approved a $40 million bond issue to construct the stadium in 1968, anticipating that the facility could bring professional sports to Seattle. Now, the city has professional football, baseball, soccer, and basketball. The Kingdome has 220 event days per year, and is considered a very successful facility. The Kingdome seats 65,000 for football

EXHIBIT 26

OPERATING REVENUES AND EXPENSES OF THE KINGDOME IN SEATTLE 1981, ACTUAL

Revenues	US $000	
Stadium rentals	1907	29.3%
Concessions	1845	28.3%
Reimbursements for services to tenants	1262	19.4%
Scoreboard advertising	444	6.8%
Daily tours	25	0.4%
Miscellaneous	38	0.6%
Parking	996	15.2%
TOTAL OPERATING REVENUES	6517	100.0%
Expenses		
Personnel services	3470	71.9%
Materials and supplies	237	4.9%
Contract services and other charges	540	11.3%
Heat, light, water	290	6.0%
Maintenance of equipment and leases	31	0.6%
Internal services	255	5.3%
TOTAL OPERATING EXPENSES	4823	100.0%
Income		
Operating income before depreciation	1694	
Depreciation	1309	
Net operating income	385	
Non-operating income from interest earnings	379	
Interest (debt service)	533	
NET OPERATING INCOME TO RETAINED EARNINGS	175	

and soccer; 60,000 for baseball; 30,000 for basketball; and 75,000 for personality shows. There is capacity for 2,200 cars on the stadium site, and within approximately one mile. There are 30,000 off-street and on-street spaces, all served by a downtown bus system.

Operating revenues for the Kingdome in 1981 were $6.5 million, while operating expenses were $4.8 million. Stadium rental fees accounted for 29.3% of income, and concessions for 28.3%. Scoreboard advertising and parking accounted for 6.8% and 15.2% of revenues, respectively. Details have been provided in Exhibit 26.

Local Attitudes

Consumer research was conducted in King County in 1979 to determine residents' use of the Kingdome and their opinions about it. Four out of five households (79%) reported that at least one member had attended one or more events at the facility. In fact, members of those households attended an average of seven events during the 12-month period. The majority of respondents (57%) stated that King County was a more attractive place to live because of the Kingdome, 33% thought it made no difference, and 9% thought the building made the county less attractive.

Attendance

With respect to attendance at events, the actual attendance figures were very close to the early forecasts. Estimates of per capita expenditures were also very near their forecasts. However, the forecasts underestimated the proportion of visitors which were attracted from outside King County to attend events at the dome. The forecasts called for 15% to 27%. The actual ratio proved to be 50%.

Construction Costs

A breakdown of the costs for construction of the Kingdome is as follows:

	US $000,000 (1975 dollars)
Design and professional contracts	3.0
Site acquisition	5.0
Construction costs, including project administration	51.8
Total Kingdome costs	59.8
Other expenditures:	
design costs related to an alternate site rejected by the voters	1.5
Total	61.3

Construction expenditures were funded through a US $40 million bond-issue, US $7 million in interest income from these funds, a US $1 million federal grant, and $13 million from a construction lawsuit.

The voter-approved $40 million bond-issue is being paid back through property taxes in the county and the proceeds from a 2% hotel/motel tax. The hotel/motel tax formerly went into the State's General Fund.

Of the $104 million which will have been paid in principal and interest on the retirement date in the year 2010, about $13 million will have been from property taxes.

The lawsuit between King County and the general contractor resulted in $10.9 million, plus 6% interest being awarded by the Federal District Court to King County in 1978. While awaiting the resolution of an appeal, a bank loan to cover cost overruns was secured.

H. ATTENDANCE FORECAST

Based on the results of interviews with industry specialists, and the findings from evaluations of the effect of weather, experience elsewhere, and historical attendance, we have developed a forecast of attendance for the first full year of play in a covered stadium in Toronto. Attendance will be influenced by one important factor that cannot be forecast, that is, the performance of the team. The forecast is based on teams which are similar in performance to those of the 1978 to 1982 period (averaged). It should be noted that a consistently better team will draw larger numbers of visitors to the stadium.

We have assumed that 1987 will be the first year of play in a domed stadium. The preliminary forecast for event attendance during that year is as follows:

Football	500,000
Baseball	1,495,000
Soccer	138,000

In addition to these professional sports, two other categories of events will be attracted. The first category consists of events which will contribute effectively to net revenues for the facility, such as concerts and thrill shows. The second category consists of community events which do not warrant high rental charges. For these events, only the variable day-of-event costs can be recovered.

The forecast for attendance at events in the first category is provided below for the year 1987.

Concerts	200,000
CNE Shows	248,000
Thrill Shows	193,000

EXHIBIT 27
EXHIBITION PLACE
ATTENDANCE FORECAST, COVERED SPORTS COMPLEX
(in 000's of visits)

Existing Stadium Attendance		Conservative Estimate of Covered Stadium Attendance, Assuming a Very High Impact of Pay TV and Other Technologies								
Latest Estimate 1982	Attendance	1987	1988	1989	1990	1991	1992	1993	1994	1995
400	Football	500	510	503	495	485	478	471	465	460
1275	Baseball	1495	1523	1504	1480	1449	1429	1408	1390	1375
120	Soccer	138	141	139	137	134	132	130	128	127
110	Concerts	200	204	201	198	194	191	188	186	184
240	C.N.E. Shows	248	253	249	246	240	237	234	231	228
	Other events with a ticket surcharge	193	197	194	191	187	185	182	180	178
55	Total attendance with a ticket surcharge	2774	2828	2790	2747	2689	2652	2613	2580	2552
___	Attendance at events without a ticket surcharge (community events, political rallies, school events, etc.) (2)	605	621	642	661	681	700	721	743	765
2200[1]	Total attendance	3379	3449	3432	3408	3370	3352	3334	3323	3317
2200	Total attendance, rounded to nearest 100	3400	3400	3400	3400	3400	3400	3300	3300	3300
*	Increase in attendance versus 1982 (rounded)	1200	1200	1200	1200	1200	1200	1100	1100	1100

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[1] The total average attendance during 1978 to 1982 was 2,155,000 annually.

[2] This does not include attendance at exhibitions and trade shows which is dealt with under exhibitions.

The detailed forecast of attendance for 1987 to 1995 is provided in Exhibit 27.

The forecast provided assumes that Pay TV and other new communications technologies will have a negative effect equivalent to about 11% of possible attendance in 1991, 15% of attendance in 1993, and 18% of attendance in 1995. It should be noted that these forecasts are subject to uncertainty, due to the difficulty of assessing the implications of new communications technologies on stadium attendance. Because of this uncertainty, we felt that a conservative forecast with respect to the impact would be the most prudent. We, therefore, have assumed a high level of impact.

Exhibit 28 (over) shows the forecast effect of Pay TV for each year during the period 1987 to 1995, and Exhibit 29 (over) provides a breakdown of the number of events during a full year of operation. Attendance is forecast without the effect of Pay TV. These attendance figures show a modest year-by-year growth, primarily because of the growth in the population. The actual forecast attendance shows a slight decline after the novelty of the new dome has worn off, and the impact of new communications technologies is becoming more apparent. These forecasts are based on a surcharge of 10% of the face value of the ticket; a change in the price will obviously influence this figure. Overall net revenue-producing attendance (i.e., attendance with ticket surcharge) will, however, remain significantly above the attendance at the open-air facility. Total attendance (i.e., with and without ticket surcharge) will be about 1.1 to 1.2 million higher than in the current facility. This figure does not include visitors to exhibitions held in the stadium.

Careful consideration was given to the sizing of the stadium. Analysis of other stadia indicated that the conventional wisdom was a facility in the 60,000 to 70,000 seat range. However, in the

EXHIBIT 28

EXHIBITION PLACE

FORECAST OF THE EFFECT OF PAY TV ON ATTENDANCE AT A DOMED STADIUM

	In 000's; Excluding Community Events [1]								
	1987	1988	1989	1990	1991	1992	1993	1994	1995
Attendance: Without the Effect of Pay TV	2,829	2,871	2,914	2,958	3,002	3,032	3,062	3,093	3,124
% Growth		1.5%	1.5%	1.5%	1.5%	1.0%	1.0%	1.0%	1.0%
Forecast of Attendance with Effect of Pay TV	2,774[2]	2,828	2,790	2,747	2,689	2,652	2,613	2,580	2,552
Possible Loss of Audiences Due to Pay TV and Other Electronic Entertainment	2%	2%	4%	7%	11%	13%	15%	17%	18%

Note 1: Community events are the events without a ticket surcharge.

Note 2: Attendance in 1982 at the existing open-air facility is estimated to be 2,200,000 (excluding the Grey Cup Game).

U.S.A. the size is influenced by the revenue potential of the NFL. The trade-off is between the higher cost of construction as the facility gets larger and a lower probability of attracting sports events (such as the Grey Cup) as the facility is reduced in size. For a regular event, the total number of seats with a quality location either between the foul poles or between the end zones is the most important consideration.

Thus, the sizing of the stadium is more a matter of being able to attract sports events and of maintaining flexibility which will accommodate a variety of uses and generate maximum revenues. It was determined that as Toronto wanted to have a facility which could satisfy the need for both special and regular sports events, the size should be 65,000 seats. During the detailed design stage, the marginal cost of more or fewer seats can be determined, and the sizing of the facility should be reviewed when these costs are known.

The success of the stadium depends primarily on its ability to attract spectators to sports events. The Blue Jays and the Argonauts, therefore, will have a major influence on the revenues generated in the stadium in the future. In this regard, three items stand out as being of particular importance when reaching an agreement with the sports clubs: the additional revenue they will be able to contribute; the length of the contracted arrangements; and the sharing of revenues generated by the televising of games through the new TV distribution channels that will be available.

I. THE MARKET FOR OTHER ACTIVITIES AT EXHIBITION PLACE

The examination of other centres and stadia revealed that there was a market for two additional major uses with the potential to generate revenue, a hotel and a permanent trade mart.

EXHIBIT 29
COVERED STADIUM
FULL 12 MONTH SEASON[1]

	Number of Events(2)	Total Attendance (in 000's)	Breakdown of Events Sports	Breakdown of Events Other
With ticket surcharge				
Football (10 regular)	11	500	11	
Baseball	81	1,495	81	
Soccer (14 regular)	17	138	17	
CNE	19	248	6(3)	13
Major Concerts	5	200		5
Miscellaneous and Other Events	15	193	15	
Subtotal	148	2,774	130	18
Without ticket surcharge				
College and highschool sports	22		22	
Very large conventions	2			2
Religious rallies	3			3
Fraternal group rallies	2			2
Community group gatherings	3		1	2
Amateur sports events	10		10	
Circus (1x2 days)	1			1
Exhibitions to be held in conjunction with events in the exhibition facilities (8x7 days)	8			8
Concerts without ticket surcharge	5			5
Political rallies/other	2			2
Subtotal	58	605	33	25
Total	206	3,379	163	43
% of all events			79%	21%
Total number of days the stadium is used	235 to 240			

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1. The forecast summarized in this chart assumes that an aggressive marketing program be implemented.

2. Total days: 206 events on 235 to 240 days (exhibitions and circus are multiple-day events). During some days, two exhibitions will take place simultaneously: one in the concourse, the other on the stadium floor. Also, two sports events are sometimes held at the same day. This explains why the number of days the stadium is used is 235 to 240.

3. Assumes that 6 CNE shows will be "sports events" by the time the covered stadium is finished.

Both stadium and exhibition facilities developed in other locations had attracted hotel development. However, interviews revealed that the violent fluctuations in demand for rooms for both sports events and exhibitions made profitable operation difficult unless there was an additional market such as would be available in a downtown area. Where hotels associated with exhibition development have been successful, they were within the urban area and had access to major facilities the city had to offer.

Exhibition Place has a number of advantages as a site for a hotel over and above the proximity to a stadium and exhibition facilities. These are noted as follows:

- close to the lake and lakeshore amenities,
- close to Ontario Place,
- easy access to downtown and its facilities,
- visible from downtown and the highway,
- between the airport and downtown, and
- close enough to downtown to attract business people.

Interviews were conducted with hotel management companies to determine if they believed that Exhibition Place was an attractive location for a hotel in principle. The idea of a hotel in the location is considered to be good if there was to be a major expansion of activity there.

The concept of a permanent trade mart was also researched. This is a much more specialized and limited market. The conclusion drawn from interviews with major operators was that a facility that was located close enough to the exhibition facilities to be able to benefit from trade shows might well be successful. It should be noted that the views of operators varied from enthusiastic to skeptical.

A review of the successes and failures amongst existing operations leads to the conclusion that a trade mart could be successful, but will require a lot of entrepreneurial skill, and that the risks are high. It was concluded that it would be a difficult facility for a public agency to operate directly and that, in this case, the renting of space to a private operator would be most appropriate.

Visits to other centres also revealed a limited opportunity for retail activity. Discussions with site managers indicated that the highly variable flow of the customers made the economics of operation difficult. The provision of restaurant services is a key requirement for major exhibition centres and should be provided.

After analyzing the market for the individual activities, it was confirmed that exhibition and sports facilities work well together from a marketing point-of-view. A covered stadium which accommodates major shows creates a key marketing opportunity. For example, the success of the exhibition hall in Houston is tied to being attached to the Astrodome. The opportunity also exists in Toronto to use the image created by a domed stadium to enhance the profile of the exhibition facilities.

The market analysis outlined in Sections II and III was used as the basis for the design work contained in the following section.

IV. ASSESSMENT OF THE SUITABILITY OF THE EXHIBITION PLACE SITE, AND OUTLINE OF THE CONCEPTUAL PLAN

This section of the Feasibility Study for an International Trade Fair Complex and Multi-use Sports Centre analyzes the suitability of Exhibition Place for such facilities and outlines a conceptual plan for the redevelopment of the urban and architectural fabric of the site.

The design/research process was carried out in conjunction with the market and economic studies.

The conclusions are incorporated into a conceptual plan for a stadium/exhibition facility, the urban and architectural detail of which are illustrated in the conceptual drawings.

This part of the report is divided into three sub-sections which give an overview of development objectives; an outline of constraints and recommendations; and a description of the conceptual plan and construction cost schedule. Technical details have been included in the appendices.

A. DEVELOPMENT OBJECTIVES

The origins of Exhibition Place date back over one hundred years. In that time, both it and the Canadian National Exhibition have grown and been modified in ways which have reflected and accommodated the changing needs, economic base, and aspirations of Toronto, Ontario and Canada. The following development objectives highlight the major directions which are appropriate today.

1. Updating and Rationalization of Exhibition Place

Exhibition Place has been an exhibition ground, sports arena, cultural centre, fairground, and playground, although its primary orientation has gradually shifted from agricultural to industrial and commercial interests. For most of its history, the changes at this waterfront park have maintained the image of Canada's foremost fair and exhibition centre. Throughout this time, exhibition buildings have been developed to meet specific new requirements or to replace fire damaged facilities,.and have generally matched or set the standards of their time.

More recently, what had traditionally been a seasonal park has increasingly been used throughout the year for exhibitions. There has been corresponding attention paid to the accommodation of vehicles rather than to the establishment of a sense of place, with the development of a pedestrian-oriented, park-like environment. An opportunity exists to integrate the cultural, recreational and exhibition facilities throughout Exhibition Place and Ontario Place to provide a unique image for Canada.

2. Provision of State-of-the-Art Stadium Facilities

Metroplitan Toronto, as well as Ontario, is presently without a covered multi-use stadium facility that is equal to current North American standards. A flexible facility that is appropriate for a broad range of sports, entertainment, and exhibition activities in a weather-protected environment is required. The stadium would be used throughout the winter months and would, in turn, increase the year-round use of Exhibition Place.

The provision of a multi-use covered stadium, with a 65,000-person seating capacity, combined with appropriate ancillary visitor facilities, will attract both teams and spectators. Such a structure will increase usage and promote the development of non-sporting events such as exhibitions, entertainment events and public gatherings, attracting large groups of the Canadian population with a wide spectrum of interests. With the appropriate installation of service, control and access facilities, these various functions could take place at field level and throughout the public concourse.

The major decision to be made is whether these objectives and requirements can be successfully met by renovation and modification of the present structures, or by new construction. This decision involves a cost comparison of the two strategies and an analysis of whether modifications to the existing stadium will result in a flexible and functional facility comparable to similar stadia in North America. In other words, it must be a "state-of-the-art" design.

3. Provision of Exhibition Facilities to International Standards

Ontario is the premier manufacturing centre of Canada and it is, therefore, appropriate that an exhibition facility of comparable stature be built in Toronto, Ontario's financial and industrial capital. As the marketing studies show, there is an immediate and future requirement for additional mutli-use exhibition facilities.

In order to attract national and international exhibitions, and to become part of the well developed and competitive North American exhibition market, it is necessary to build facilities which meet all modern exhibition design criteria for height, optimum floor area, configuration of structure, access and services, and flexibility of the space module division. With respect to Exhibition Place, it is necessary to create a site plan that accommodates the present facilities, and also allows for phased expansion in the future. This new development should integrate with the existing structures to provide optimum flexibility in accommodating multiple small or large events and should provide an organized, weather-protected pedestrian circulation system for the public and staff. The image should be bold in scale and first class in quality in order to ensure public and user acceptance.

Exhibition Place buildings have been constructed over a period of 100 years to house specific functions or to celebrate special events. The majority were designed primarily to accommodate livestock, automobile, horticultural and agricultural displays. However, despite the problems of adapting these existing buildings to present exhibition needs, they are still being used to accommodate a substantial number of different types of trade and consumer shows. As well, the Queen Elizabeth Building and the Better Living Centre which were built in 1957 and 1962, respectively, for trade and consumer displays, can both be upgraded to halls of a high quality standard. Therefore, with both this existing base of buildings and a tradition of trade shows, Exhibition Place offers a significant resource for the future, and is an appropriate place for new trade exhibition hall development.

4. Provision of Ancillary Facilities Related to the Stadium/Exhibition Facility

The market study has shown that other similar developments usually have additional facilities associated with them. The two main features which are most frequently found in conjunction with a stadium/exhibition complex are hotels and trade marts. A hotel can provide accommodation for exhibition visitors. Or, if it is sufficiently attractive in itself, it can supply some of the visitors to the exhibitions. Similarly, a trade mart, a permanent merchandise exhibition, has its own regular visitors who may then visit a show. It also attracts exhibition visitors who are interested in a broader range of items.

The smaller ancillary facilities that would be appropriate include banks, shops, restaurants, cafes, pubs, information centres, custom broker and translation offices, travel agencies, car rentals, decorator and building contractor offices, press and radio offices, and the centralized administration offices for Exhibition Place.

There are proven mutual benefits for all of these facilities and a stadium/exhibition complex. It is, therefore, a further objective of this study to include a hotel, a trade mart and other complementary uses on the site.

B. DEVELOPMENT ANALYSIS AND RECOMMENDATIONS

1. Existing Buildings and Uses Influence the Nature of Future Development

Historically, stadia and exhibition halls have existed at Exhibition Place, and there is a strong public identification of the site with these facilities. An extended and unified exhibition/stadium development would, therefore, be appropriate as it would build upon the traditional and existing physical assets of the site. As well, it would augment the international recognition already accorded to Ontario Place and the Canadian National Exhibition.

With the C.N.E. as the world's largest annual fair, Exhibition Place has always been a place of 'public festival', supported by the various exhibition structures. Traditionally, development on the site has responded to public needs, as a series of pavilions surrounded by generous open spaces loosely linked by gardens and fountains. Building styles have varied with their times, their functions, and the aspirations of both the public and the exhibition directors. Some of the quality of the older exhibition buildings can be seen in the west end of the park. However, many of the historical facades have had windows blocked up and have been obscured by signage and concession stands.

Throughout the site, but primarily at the east end, substantial areas have been given over to roads and parking. The roads bisect open areas of Exhibition Place and the parking lots dominate key areas of the site. This attention to vehicular access and routing has resulted in the loss of the historical sense of the site as a park and as a pedestrian precinct. This loss has not been replaced by a new accommodation for the pedestrian.

In addition, there is a substantially diminished sense of occasion on arrival at the site. Originally, the Dufferin Gates, and more recently, the Princes' Gates, have served as both literal and symbolic entrances to the exhibition grounds. Now numerous visitors enter through "back doors". The significance of Princes' Boulevard as a grand avenue has been eroded. The importance of the gate itself, while retaining a prominent position facing Lakeshore Blvd., has been diminished by being surrounded by asphalt and by having a complex traffic intersection as forecourt.

New development on the Exhibition Place site is subject to the Municipality of Metropolitan Toronto Act, Section 207.

Permitted uses include:

- park and exhibition facilities,
- trade fair facilities,
- displays and sporting events,
- public entertainment,
- site utilities, and
- any other use proposed by Metro and approved by the City of Toronto.

With the above uses, the Metropolitan Toronto Corporation is exempt from City of Toronto zoning by-law requirements. In this regard, note that hotels and major retailing areas are not presently included. Under present legislation, the Corporation of Metropolitan Toronto is obliged to hold an annual fair (i.e., the C.N.E.).

Any new development should recognize nearby off-site land use and facilities. These include an expanding Harbourfront; the industrial lands north of Exhibition Place; adjacent lakefront parks to the east and west of the site; Ontario Place; Fort York; and proposed road improvements such as the Front Street West extension and possible improvements to the Gardiner Expressway.

In conjunction with the attraction of a stadium/exhibition facility at Exhibition Place, the infrastructure of site access and service should be rationalized. Pedestrian networks and linkages should be designed into an overall site plan with a consistent and coherent use of lighting, street furniture, and materials, and with the integration of concessions and the Midway. Good access by public transit is mandatory to encourage increased use of Exhibition Place and Ontario Place, and a publicly identifiable major transit terminus should be established. Access for the handicapped throughout the site, buildings and transit areas is essential.

Vehicular movement should be maintained at the periphery of the site or grade separated from pedestrian routes as much as possible. Parking should be concentrated at peripheral locations adjacent to the vehicular routes and should have pedestrian network. It is essential that the events at the different facilities at Exhibition Place and Ontario Place be co-ordinated and scheduled in order to minimize the frequency of peak traffic congestion. As well, a system of reversible lanes and special signage should be instituted to make maximum use of the available traffic lanes.

2. Construction of a New Stadium is Preferable to Renovating the Existing Stadium

The existing open stadium comprises two stands and has a capacity of approximately 55,000 seats, made up of a combination of benches and chairs. The south stands are designed primarily for viewing baseball and provide less than optimal viewing of football. The north stands have sight lines that are often too long for football and are generally inappropriate for viewing baseball. Many of the washrooms and concessions need renovation and/or expansion. Conversion of bench seating to chairs in the south stands is considered desirable by the Blue Jays. While any covered stadium with 65,000 seats will probably require concessions with respect to the Ontario Building Code, it is anticipated that basic Code requirements will necessitate substantial changes to the existing stands if they are to be covered.

Roofing the existing stadium presents particular problems due to its asymmetry and the absence of a proper enclosure wall. Of the various roofing systems available, a cable and fabric roof which maintains its form by overall building pressurization (i.e., similar to the Vancouver Stadium) is one of the most economical options available.

In this regard, a number of schemes for the renovation and expansion of the existing stadium were developed and they are discussed in Appendix VI. The difference in capital costs and operating costs was analyzed for these schemes and for construction of a totally new stadium with the same design and operational standards assumed for both. A comparison of these data demonstrates that there are marginal cost disadvantages to renovating the existing facilities versus building new. However, the risks in the construction, marketing, and operating of a renovated building are greater and would inevitably increase capital and operating costs. As there is no alternative baseball stadium in the Toronto area, Exhibition Stadium must be kept operating under very poor conditions for players and spectators throughout the renovation period. As well, even with major renovations, the result would be a stadium that is less than state-of-the-art in design, and this course of action cannot be recommended.

3. Existing Exhibition Facilities Represent a Valuable Resource

The marketing study shows that, by 1990, there will be a need for 1.5 million sq. ft. (139,350 m^2) of exhibition space at Exhibition Place. As indicated in Exhibit 12, the current inventory of usable exhibition space (not including the Better Living Centre) is approximately 700,000 sq. ft. (65,030 m^2). The shortfall of space must be made up primarily by new construction.

The majority ± 627,000 sq. ft. [62,429 m^2] of suitable existing exhibition halls is at the east end of Exhibition Place. They include the Automotive Building, the Industry Building, the Coliseum Complex, and the East and West Annexes. The North Extension and South Extension are less suitable for exhibition use. The condition of all of these buildings is as follows:

a) All are structurally sound and the Automotive and Industry Buildings have generally acceptable column spacings.

b) All the buildings have some historical and architectural interest, except for the South Extension.

c) Substantial improvements to mechanical/electrical systems, interior finishes, washrooms, receiving facilities, and circulation areas are required in all but the Automotive Building which was recently renovated.

d) While all buildings, except the Automotive Building, are interconnected, these connections require improvement to allow a more flexible use of the space for exhibitions of varying sizes. The Automotive Building has an independent identity and, with adjacent car parking, it could continue to function independently; with renovations, it would lend itself to trade mart use in the future.

e) The Coliseum Complex was originally built to accommodate livestock displays. While it is still so used during the Canadian National Exhibition and the Royal Winter Fair, it is used extensively for trade and consumer shows at other times of the year. It is expected that all of these functions will continue in the future.

Although, by international standards, most of this space can now be classified as sub-standard, a level acceptable for ancillary exhibition space could be achieved with appropriate renovations and additions. In particular, a new reception area where exhibitor and visitor services can be provided is required.

Further to the west, the Queen Elizabeth Building and the Better Living Centre provide approximately 263,000 sq. ft. (25,268 m^2) of additional exhibition space. Both were built in the late 1950's/early 1960's. Their column spacing is acceptable by current standards and they are more suited for present general exhibitor needs that the older buildings on the site. The Queen Elizabeth Building is extensively used and has been well maintained and renovated with recent improvements to the mechanical systems. This building also has a large theatre and banquet (meeting) room combined with kitchen facilities, all of which are ideal ancillary areas for the main exhibition halls. The Better Living Centre is not heated or winterized and has consequently suffered damage. Renovations could transform this building into a first class exhibition structure.

4. Additional Space Required

The provision of the additional 800,000 sq. ft. (74,320 m^2) (see Exhibit 12) of new space can be designed to meet the criteria for present and future exhibition space. Approximately 200,000 sq. ft. (18,580 m^2) will be provided in the new stadium and 600,000 sq. ft. (55,740 m^2) within new exhibition hall facilities. These exhibit facilities would be combined with 438,000 sq. ft. in the Coliseum Complex, and 272,000 sq. ft. in the Better Living Centre and Queen Elizabeth Building for a total area of exhibition space of 1,510,000 sq. ft. The Automotive Building would be converted to a trade mart upon completion of the new exhibition halls and renovation of the existing Coliseum Complex.

The physical requirements of new space include a 60' x 60' (18.3 m x 18.3 m) column spacing and a floor-to-floor height of 35 feet (10.7 m). The large column spacing throughout the exhibition area minimizes visual obstructions and increases options for show set-ups. The standard planning module for exhibitors is 10' x 10' (3m x 3m). Mechanical and electrical services, including water, drainage, power, telephone and compressed air, should be supplied at floor level in modular ducts which conform to the planning grid and allow for flexible access. Air conditioning units and smoke control equipment should be provided in a ceiling zone that also permits the suspension of banners, signs, and lights.

The loading and service areas for the facility should be generous and allow for direct drive-through to the exhibition floor areas. With more than one level involved, ramps will be used instead of elevators. A cost analysis of a two-storey versus a one-storey exhibition hall indicates that there is approximately a 5% construction cost premium for the two-storey hall which will be offset by the savings in the land area required. (See Appendix VIII.)

To operate effectively, the exhibition space should be divisible into 100,000 sq. ft. (9,290 m^2) compartments. Good exhibition hall design will minimize the area of adjacent lobby areas while maximizing the ease of control and security.

A small complement of meeting rooms and offices should be provided to serve the ancillary needs of exhibitors. In addition, both visitors and exhibitors will be well served by an appropriate number and distribution of restaurant, fast-food, retail, and washroom facilities. Larger meetings or gatherings requiring food services could be coordinated to use the complementary facilities of the Convention Centre.

It is recommended that retail and hotel facilities be integrated into the site development in a manner that complements the programmed facilities. Most exhibition halls have hotels in conjunction with, or in proximity to them. Without such a hotel near Exhibition Place, construction of one on the site should be considered, provided it is conveniently connected to the other facilities and maitains its own identity and address.

There is a demand for good service access for exhibition facilities. The service routes should be designed to improve loading conditions for the existing buildings and to provide efficient support for the new ones. The number of service routes should be minimized, grade-separated from pedestrians and, possibly, hidden from public view. At present, the main service entrance to the site is via Manitoba Drive. With an additional connection to Lakeshore Drive Blvd. at the west end of Exhibition Place, the accessibility of Manitoba Drive would be improved and it could be maintained as the access/service route for both the old and the new Exhibition buildings.

With 200,000 sq. ft. (18,580 m^2) of exhibition space available on the stadium field and on the concourse levels, it is obvious that the new stadium should be closely linked to the other exhibition facilities. The new developments should be associated as much as possible with the existing building, again to maximize the flexibility for various sizes of trade shows. The Better Living Centre and Queen Elizabeth Building, with physical conditions most like new facilities, should have the greatest integration. The Coliseum Complex, dedicated primarily to livestock displays and the Royal Winter Fair, could have more attenuated links, but the opportunity should be provided for the occasional large show requiring over 1.0 million sq. ft. (92,900 m^2) of exhibition space. Least significant is a link to the Automotive Building which can continue to function independently.

5) New Stadium/Exhibition Complex Is Best at Centre of Exhibition Place

Five alternative sites for the construction of the new facilities on the east and central portions of Exhibition Place were studied, all with the provision that the operation of the existing stadium continue uninterrupted during construction. A description of these alternatives and the implications of each is outlined in Appendix X.

The scheme with the new stadium built to the east of the existing stands and the new exhibition halls to the immediate west (on the site of the existing stands) was determined to be the best solution for the following reasons:

a) With this alternative, a maximum number of existing buildings can be retained.

b) There is good potential for integration of stadium/exhibition functions.

c) There is the potential for sharing many common facilities (i.e., parking, taxi and bus areas, public transit, lobbies, etc.).

d) There is potential for good public vehicular access from Lakeshore Blvd.

e) The proximity of the new facilities to Ontario Place will mean that the proposed public transit system station is shared.

f) The balance between the open park space at the east and west ends of site will be retained.

g) A suitable location for the Midway is assured.

h) Provision of vistas and approaches to the major portion of the new development will be provided and a central focal point for the whole of Exhibition Place will be created.

i) The proximity to 263,000 sq. ft. (24,154 m^2) of good exhibition space in the Queen Elizabeth Building and the Better Living Centre will allow for the creation of approximately 1,060,000 sq. ft. (98,474 m^2) of first class exhibition space in one combined location (i.e., including stadium).

C. DESIGN CONCEPT

1. Introduction

The preferred location for the proposed new stadium/exhibition complex is, therefore, at the central area of the site adjacent to the east side of the Queen Elizabeth Building and the Better Living Centre, and south of the Sports Hall of Fame and Horse Palace. In order to accommodate the exhibition requirements, a 600,000 sq. ft. (55,740 m^2) exhibition building, with halls on two levels and a 300 to 500 room hotel on top, is proposed for the western half of this complex with the stadium to the east.

These two elements would be linked to form a single complex by a weather protected Arrivals Hall/Galleria. Secondary lobbies to the west would form infill connectors to the Queen Elizabeth Building and Better Living Centre. The Food Building will remain and is designated as general support storage for Exhibiton Place, with the food-related functions during the C.N.E. located in the new exhibition halls. Replacement of some of the existing parking capacity on the site (which is to be occupied by new buildings) will be in a parking structure located immediately west of the Food Building and a two-level garage below the new exhibition building. No other new structures are anticipated for the site. All of the above is represented on the attached plans, Exhibits 30 through 35.

The major advantages of this concept are:

a) All existing buildings on the site are retained except for some minor structures related to the Midway, the stadium, the Bulova Tower and some smaller miscellaneous structures.

b) A strong central image and focus are provided for the Trade Exhibition Centre and Exhibition Place, creating an important address.

c) The central visual axis through the Princes' Gates is reinforced by the location of the stadium/exhibition complex.

d) The stadium and the new and existing exhibition halls can be used together and will have shared facilities.

e) The existing Coliseum and Industry Building complex can maintain their predominately agricultural character and functions.

f) A major landscaped open area will be created at the east end of the site.

g) The new exhibition hall will fully integrate the two existing buildings (Better Living Centre and Queen Elizabeth Building).

h) Vehicular access to parking areas is kept to the perimeter of the site, thus creating a predominately pedestrian environment with significant areas of landscaping.

i) The Food Building site is retained for long-term future development adjacent to the main complex.

j) Phasing of construction can be accomplished so that a steady increase in the amount of exhibition space can meet the projected demand and interruptions of the major sports events at the stadium are minimized.

2. Urban Design

a) Pedestrian Circulation

Rehabilitation of the pedestrian network on the site is one of the main design objectives recommended by this study. A setting in Exhibition Place should be created which encourages public activity. A strong emphasis on well organized and well distributed pedestrian links will contribute greatly to the achievement of this objective.

The main pedestrian entrances to the area around the exhibition halls and the stadium are through the Princes' Gates on the east, by bridges from Ontario Place on the south, from the VIA/GO Station to the north and along Princes' Blvd. and Quebec Street on the west.

The forecourt and landscaping around the Princes' Gates will be upgraded to restore this area to its original significance as the ceremonial entrance to the site, while Princes' Blvd. will be returned to its role as the main pedestrian promenade and occasional parade route. The route west from the gate will provide a vista of the new stadium/exhibition complex. The two sides of the boulevard should be heavily landscaped, providing shade for site visitors. There will be a differentiation between paving materials used for pedestrians and those used for vehicles. Lamp standards, street furniture, and kiosks will be designed and located to emphasize the human scale of the street.

To the immediate east of the new stadium, Princes' Blvd. will turn north, with a branch to the south to connect the Marine Museum to the Coliseum Complex, both physically and visually. The vista along this axis will complement the east/west vista and the intersection of the two should be celebrated by a major plaza with a focal point of a monument, flags, or fountain at the centre. The historical visual link between the Marine Museum and Fort York has been maintained on the grounds of Exhibition Place.

Since the proposed plan provides for two major open spaces, the existing one in the west and a new one at the east end surrounding the Marine Museum and stretching from Lakeshore Blvd. to the Coliseum Complex, an extensive and attractive pedestrian connection is needed between them. The achievement of this east-west linkage is accomplished by retaining the familiar route through Quebec Street, extending Princes' Blvd. to the north of the proposed Stadium/Exhibition Complex, and the Queen Elizabeth

Building. As the Music Building is to be demolished, this route will provide an open and clear avenue between the Press Building and the Coliseum. The open green area south of the Better Living Centre is to be extended south of the new complex along Lakeshore Blvd. and developed into a major pedestrian boardwalk.

Overpass bridges at vehicular access points to the site maintain the pedestrian route. This southern strip will provide a pleasant means for visitors to get to the existing Ontario Place overpass bridges. The present inconsistencies of the basic elements of all these areas - lamps, benches, kiosks, paving materials, etc. - should be coordinated and used to establish a visual and functional continuity of the pedestrian precincts on the site.

The central and estern section of Princes' Blvd. is maintained as close as possible to its original configuration to reinforce the customary east-west pedestrian routes. However, the outdoor environment is interrupted, to some extent, by the creation of the secondary lobbies between the new stadium/exhibition complex, the Better Living Centre and the Queen Elizabeth Building. There is the possibility of opening this enclosure in the summer by removing the side panels and leaving only a glazed portion of the roof as a canopy over Princes' Blvd.

In order to integrate the stadium/exhibition complex, a weather-protected pedestrian network will connect to the Coliseum Complex and the parking structure to the west of the Food Building.

b) Vehicular Transportation and Parking

Due to the proximity of Ontario Place, transportation requirements and proposals have been assessed for both Ontario Place and Exhibition Place. The basis for this analysis is provided primarily by the Central Watergrant Transportation Study. The estimated maximum peak hour departure rate from Exhibition Place and Ontario Place will be approximately 55,000 to 65,000 person trips per hour when the new stadium/exhibition hall structures are complete. Due to the fact that the roads around the site become congested for major events, it is recommended that the number of on-site parking spaces remain at 5,850 for Exhibition Place and 1,300 for Ontario Place.

However, arrival at all parking spaces within one hour will probably not occur due to different timings and lengths of stay by visitors at the various activities. For example, during the arrival of visitors for a major sporting event, a number of parking spaces could already be partly occupied by visitors to other shows who have arrived earlier. As well, they will not necessarily leave at the same time as the sports fans. Therefore, the total number of vehicles leaving the parking lots during the peak departure hour will probably be less than the total available parking capacity. Also, the rate of exiting flow from the parking lots within Exhibition Place and Ontario Place would be controlled by the capacities of the adjacent road system and the exit locations from Exhibition Place. Based on traffic surveys conducted during the past few years and considering that some operational improvements can be made to the traffic conditions in the area, it is estimated that about 5,000 vehicles or 12,500 people would be discharged from the parking lots during a peak departure hour. Assuming that approximately 5,000 visitors would be travelling by 'other' modes such as walking, cycling, and taxi, and using a peak hour total movement of 65,000 persons per hour, public transit capacity will be required to handle 47,500 passengers per hour.

The major vehicular points of entry and parking areas are as follows:

1. The primary shuttle bus, taxi and car access is via roads that will enter the centre of the site from signalized intersections at Lakeshore Blvd. The location of these intersections has been determined by the existing entrances to Ontario Place, and it is intended that Lakeshore Blvd. be widened from six to seven lanes to permit left turns. This access road will lead to the primary drop-off area for the Arrivals Hall/Galleria and the hotel and will be the entrance to two levels of underground parking below the exhibition hall portion of the complex. This parking facility will accommodate 1,900 cars and will provide parking and marshalling areas for media vehicles, ambulances, stadium service vehicles, police and taxis.

2. Most V.I.P. and ancillary access is through the Princes' Gates and along Princes' Blvd. to the more westerly parts of the site. This route will also give access to the parking area immediately north and west of the Automotive Building which can accommodate 1,000 cars and space for overflow bus parking, if required. This paved area will, as well, be the primary space for the C.N.E. Midway.

3. Chartered bus and private car access to the storage area for 100 buses under the Gardiner Expressway and to the new 2,600 car parking garage west of the Food Building will be via Manitoba Drive. This access will be substantially improved by widening Manitoba Drive, moving it to the north, extending it to Lakeshore Blvd. on the west (via an extension of Dufferin), and by providing access from Manitoba Drive to the proposed Front Street West extension, as described in the Central Waterfront Transportation Study. This access will be further enhanced by the widening of the Dufferin Bridge over the Gardiner Expressway and the installation of traffic signals at the Manitoba and Dufferin intersection. Multi-access and egress lanes from the 2,600 car parking structure and supplementary use of an underground truck connection to the parking area below the new exhibition hall and, thereby, Lakeshore Blvd. will improve the present peak traffic patterns on the site. The parking structure west of the Food Building could accommodate facilities for the Fire Department to be used during special events.

c) Public Transit

As outlined in the Central Waterfront Transportation Study, the primary forms of public transit service to Exhibition Place are proposed to be GO/VIA; Bathurst streetcar; Dufferin bus; other charter, express, shuttle and special bus services, and the new I.C.T.S. line. The following is an overview of each of these systems.

The existing peak capacity of approximately 10,000 persons/hour for the GO Transit service to Exhibition Place will be maintained. The existing station, which serves VIA as well, should be upgraded with an underground pedestrian concourse below the tracks and Manitoba Drive. From this point, there would be a covered pedestrian route to the Arrivals Hall/Galleria.

It is proposed that the existing Bathurst streetcar service with its 5,000 person trips/hour capacity would remain. The station in front of the Coliseum Complex, however, would be upgraded and would incorporate covered walkway connections to the new stadium and to the Coliseum.

The Dufferin bus service would be upgraded by the provision of a terminal loop at Princess Margaret Square, the elimination of the jog at Queen Street and the provision of an off-street, fare-paid loop at the Bloor/Dufferin subway station.

The accommodation of charter and express buses will be improved by the provision of both a storage terminal for 100 buses below the Gardiner (north of the Coliseum) and a parking area for an additional 100 buses to the east of the new stadium, if required. As well, the additional sixty feet of service area north of the Coliseum could be used for auxiliary bus parking. Access for all of these areas will be enhanced by the western extension of Manitoba Drive to Lakeshore Blvd. and the extension of Front Street West to Manitoba Drive. Shuttle and special bus services which do not require parking will have a major terminal on the lowest level of the Arrivals Hall/Galleria. These buses will also be able to stop at various other appropriate locations in Exhibition Place. Access for many of these services from downtown Toronto will be enhanced by the extension of Front Street to Strachan Avenue and Manitoba Drive. The peak capacity for charter buses will be approximately 8,000 people.

The final public transit system which is incorporated into the Exhibition Place Concept Plan is the I.C.T.S. (Intermediate Capacity Transit System). Present design proposals indicate that this line would enter the site from the east adjacent to Manitoba Drive and would turn south between the Food Building and the Horse Palace to enter the Arrivals Hall/Galleria/I.C.T.S. station at an elevation between the two major public concourses of the stadium and the two levels of exhibition space. Ticket control for the station will be on the lower of the two public courses with auxiliary control at the upper concourse above the station. There is the potential for extending the two tracks to Ontario Place, and to have another station at that point. The anticipated peak hourly capacity of this line is approximately 20,000 persons.

The total capacity of the above public transit systems is approximately 48,000 persons/hour which matches the level of anticipated demand.

There are potential transit services which were mentioned in the Central Waterfront Transportation Study and which were studied with respect to their impact on Exhibition Place. In particular, a Harbourfront L.R.T. (Light Rail Transit) line from Queen's Quay has not been incorporated in the plans at this time. It can, however, be accommodated within the context of the conceptual plan.

d) Truck Servicing

The main service route continues to be organized along Manitoba Drive which will be widened from two to four lanes and moved 60 feet (18 m) north of the existing right of way in order to improve the loading areas for the existing exhibition buildings and the Horse Palace. This space can also be coordinated to be used for parking buses during special events. There will be sufficient additional space immediately north of and adjacent to the Horse Palace to store hay and soil within fenced areas.

It is proposed that five (5) acres of land close to Exhibition Place be designated for a truck marshalling area and that the main heavy service traffic be directed from this area to Manitoba Drive. Service access for the new complex will continue from Manitoba Drive south through an underground trucking corridor to the primary loading and servicing area of the main exhibition halls. A visually enclosed loading area will stretch between the west side of the new two-level exhibition structure and the east side of the Better Living Centre.

A two-way ramp system will allow trucks to enter from the underground corridor or from Lakeshore Blvd. to the loading dock areas at both exhibition hall levels. Departing trucks will exit from the site in two ways: back to Manitoba Drive with dispersal east and west, or south to Lakeshore Blvd. westbound.

e) Security

Owner and operator security requirements will be coordinated with functional requirements and Ontario

Building Code standards to ensure the proper provision of lighting, surveillance systems, gates and fencing throughout the grounds and buildings. A central security station for the new stadium/exhibition centre and Exhibition Place as a whole would be located in the Arrivals Hall/Galleria.

f) Phasing

The phasing of the proposed stadium and exhibition area improvements has been separated into four components (see Exhibit 37), ensuring a steady increase in the amount of exhibition space available and a smooth transition from the existing stadium to the new facility without relocating football, soccer or baseball events.

3) There Will Be Four Major Building Components Involving New Construction and Renovations

a) Better Living Centre and Queen Elizabeth Building (Component One)

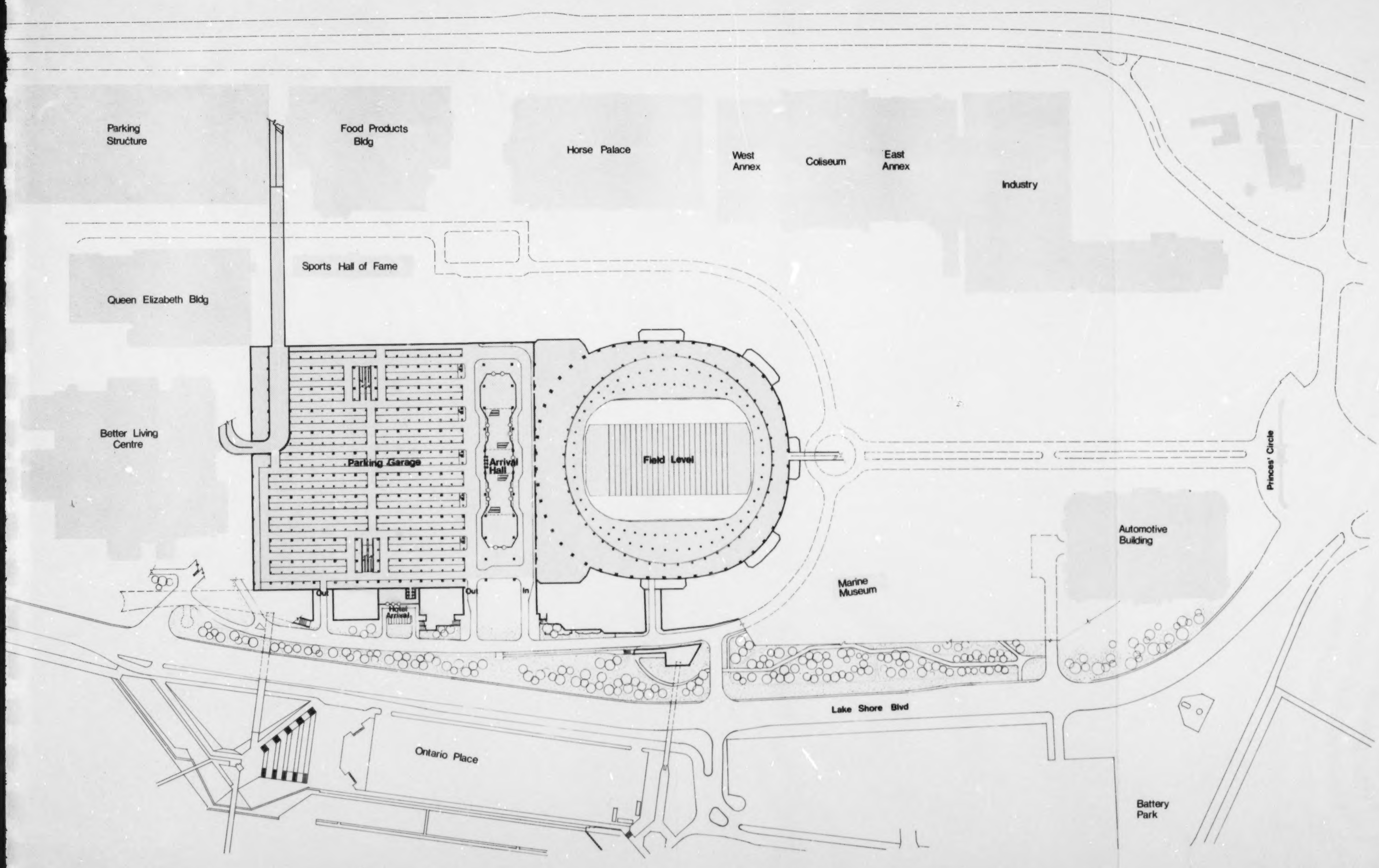
The Better Living Centre and the Queen Elizabeth Building will be renovated to meet the first class standards for exhibition facilities.

In both cases, the shipping and receiving areas will be improved to allow additional direct access onto the exhibition floor levels for trucks. The interior finishes must also be upgraded and this will give an opportunity to create a consistency of design throughout the renovated and new structures.

The Better Living Centre requires extensive upgrading of the thermal and vapour barrier of the exterior envelope to

EXHIBITION PLACE
Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study


Parking Structure
Food Products Bldg
Horse Palace
West Annex
Coliseum
East Annex
Industry
Sports Hall of Fame
Queen Elizabeth Bldg
Better Living Centre
Parking Garage
Arrival Hall
Field Level
Princes' Circle
Automotive Building
Marine Museum
Out
Hotel Arrival
Out
In
Lake Shore Blvd
Ontario Place
Battery Park

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architects planners

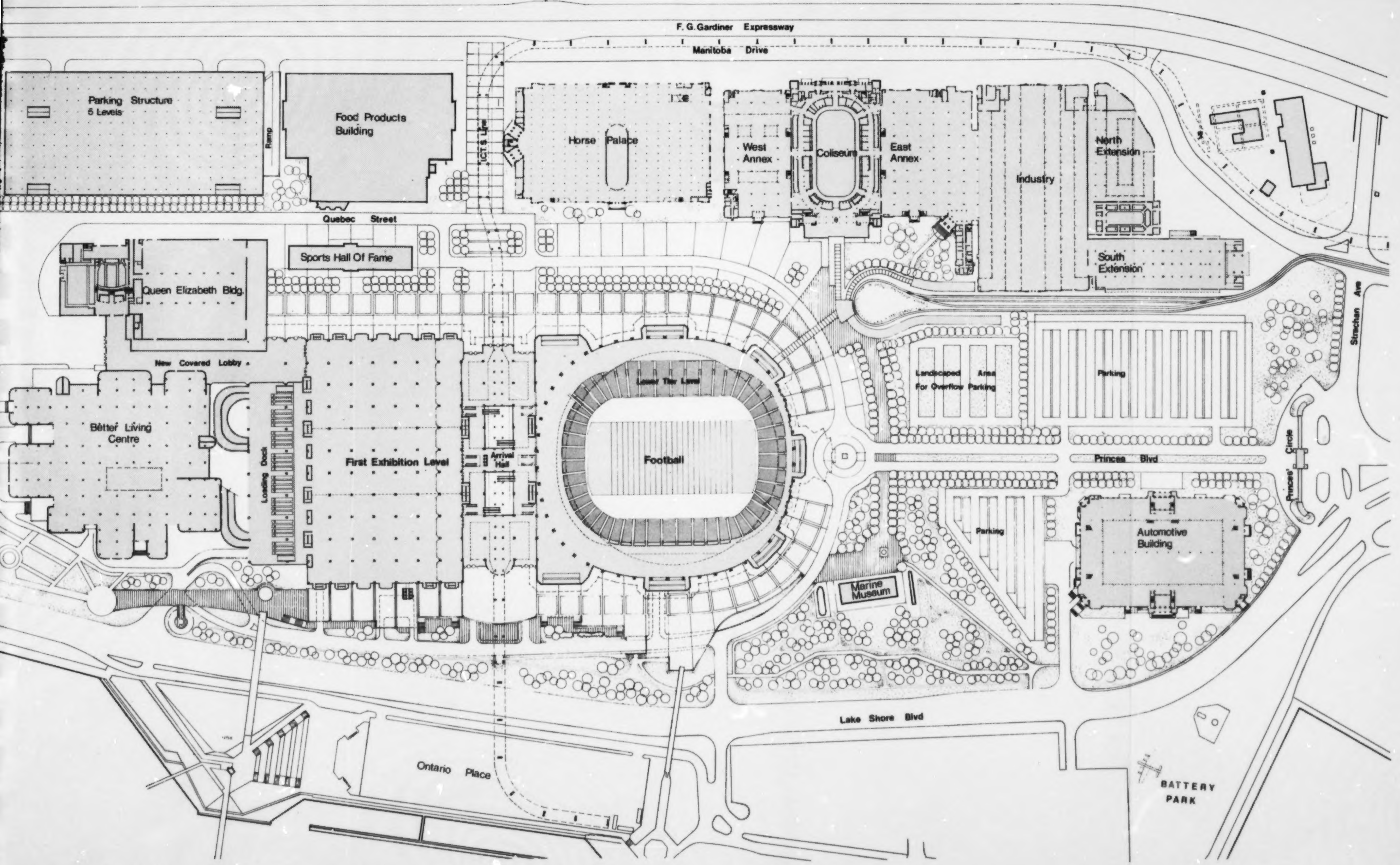
Currie, Coopers & Lybrand
Management Consultants

Heery Fabrap
architects engineers planners

Lakeshore Level

Elevation +252'

Exhibit 30


F. G. Gardiner Expressway
Manitoba Drive
Parking Structure
5 Levels
Ramp
Food Products Building
ICTS Line
Horse Palace
West Annex
Coliseum
East Annex
Industry
North Extension
South Extension
Quebec Street
Sports Hall Of Fame
Queen Elizabeth Bldg.
New Covered Lobby
Better Living Centre
Loading Dock
First Exhibition Level
Arrival Hall
Lower Tier Level
Football
Landscaped Area For Overflow Parking
Parking
Strachan Ave
Princes' Circle
Princes Blvd
Parking
Automotive Building
Marine Museum
Lake Shore Blvd
Ontario Place
BATTERY PARK

EXHIBITION PLACE
Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study

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Currie, Coopers & Lybrand
Management Consultants

Heery Fabrap
architects engineers planners

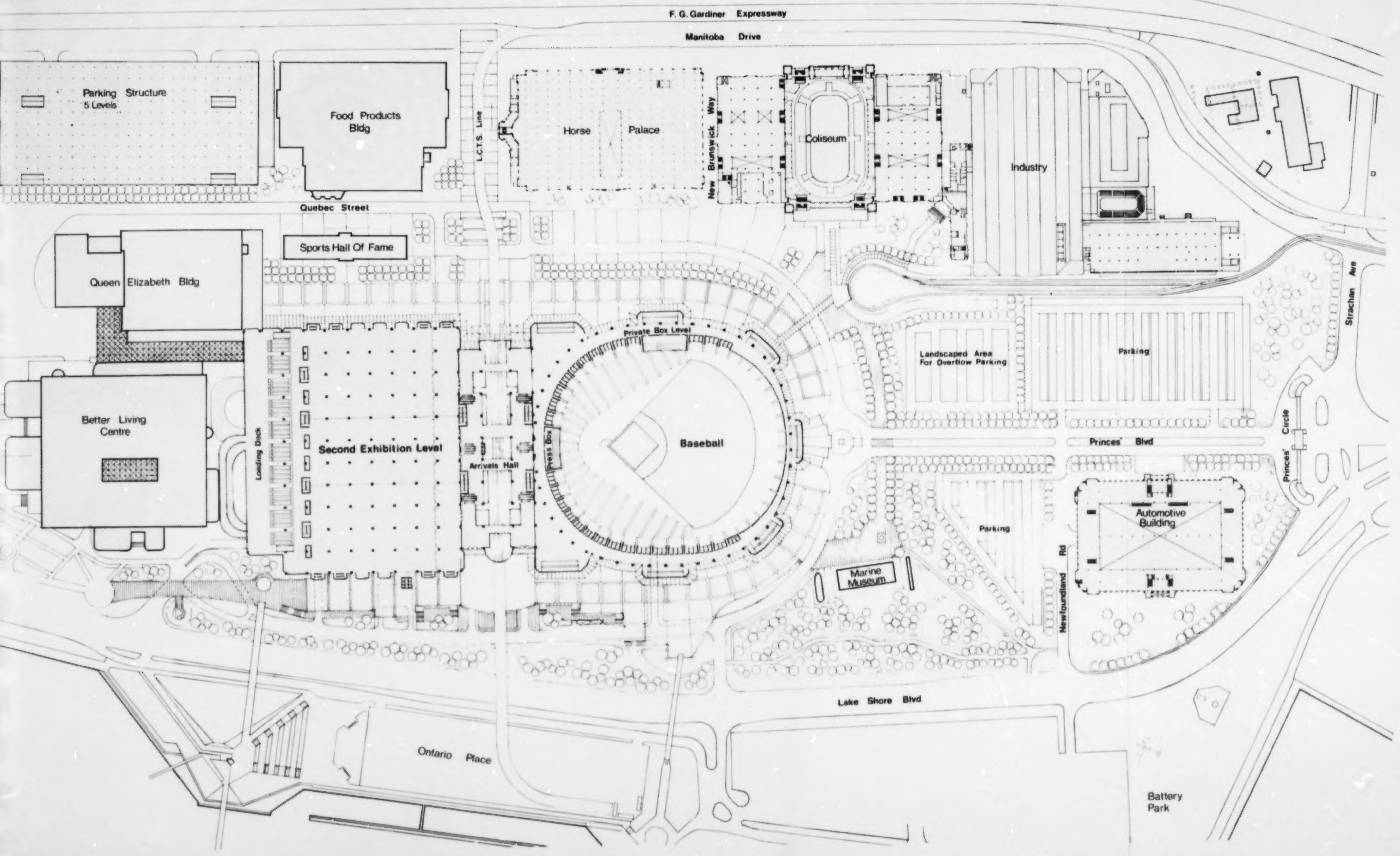
Ground Level

Elevation •272'

Exhibit 31

EXHIBITION PLACE
Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study


F. G. Gardiner Expressway
Manitoba Drive
Parking Structure
5 Levels
Food Products Bldg
L.C.T.S. Line
Horse Palace
New Brunswick Way
Coliseum
Industry
Quebec Street
Sports Hall Of Fame
Queen Elizabeth Bldg
Private Box Level
Landscaped Area For Overflow Parking
Parking
Strachan Ave
Better Living Centre
Loading Dock
Second Exhibition Level
Arrivals Hall
Press Box
Baseball
Princes' Blvd
Princes' Circle
Automotive Building
Parking
Newfoundland Rd
Marine Museum
Lake Shore Blvd
Ontario Place
Battery Park

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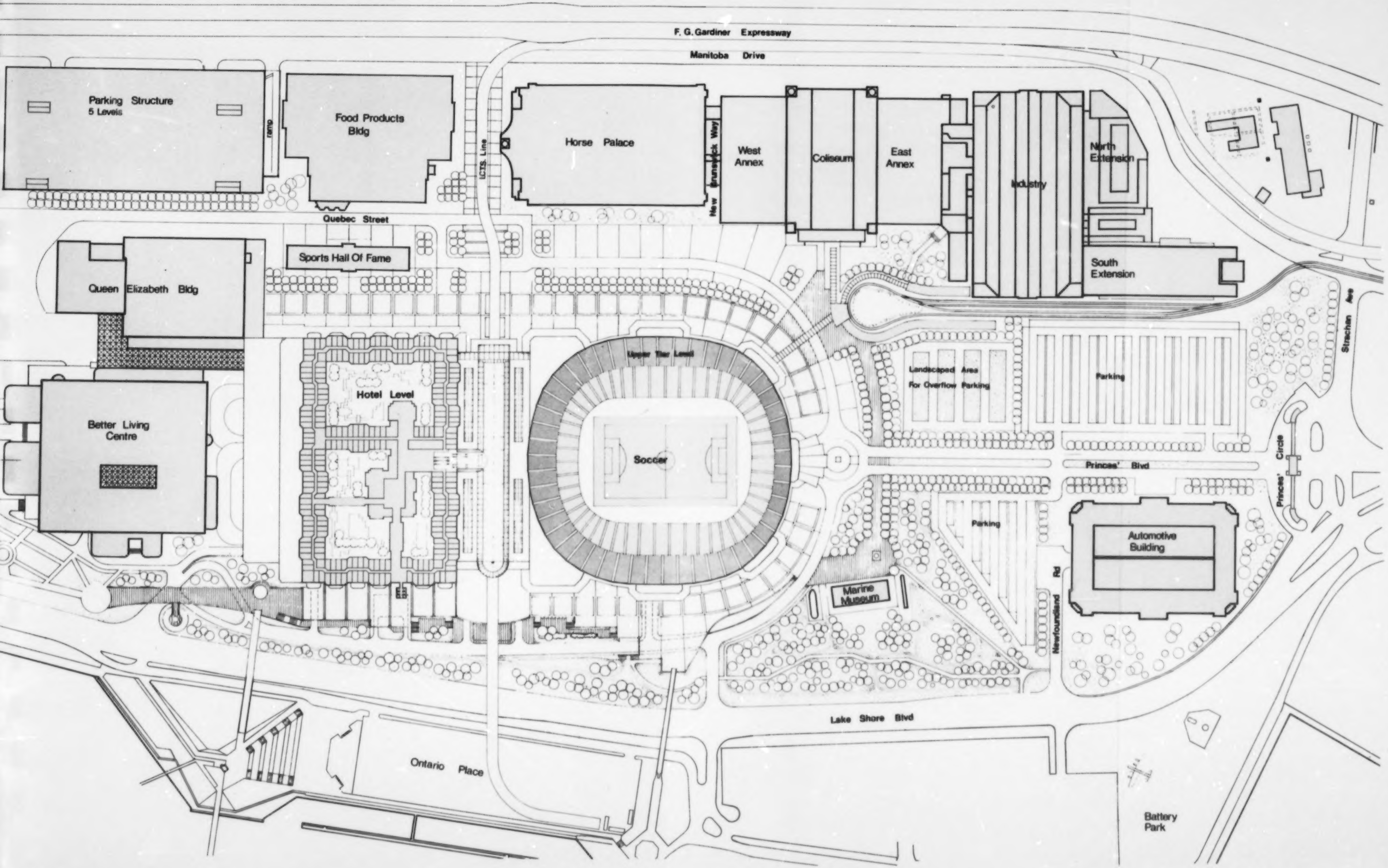
Heery Fabrap
architects engineers planners

Second Exibition Level

Elevation +307'
Exhibit 32


F. G. Gardiner Expressway
Manitoba Drive
Parking Structure
5 Levels
ramp
Food Products Bldg
ICTS Line
Horse Palace
New Brunswick Way
West Annex
Coliseum
East Annex
Industry
North Extension
South Extension
Quebec Street
Sports Hall Of Fame
Queen Elizabeth Bldg
Upper Tier Level
Hotel Level
Landscaped Area For Overflow Parking
Parking
Strachan Ave
Better Living Centre
Soccer
Princes' Blvd
Princes' Circle
Parking
Automotive Building
Newfoundland Rd
Marine Museum
Lake Shore Blvd
Ontario Place
Battery Park

EXHIBITION PLACE
Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study

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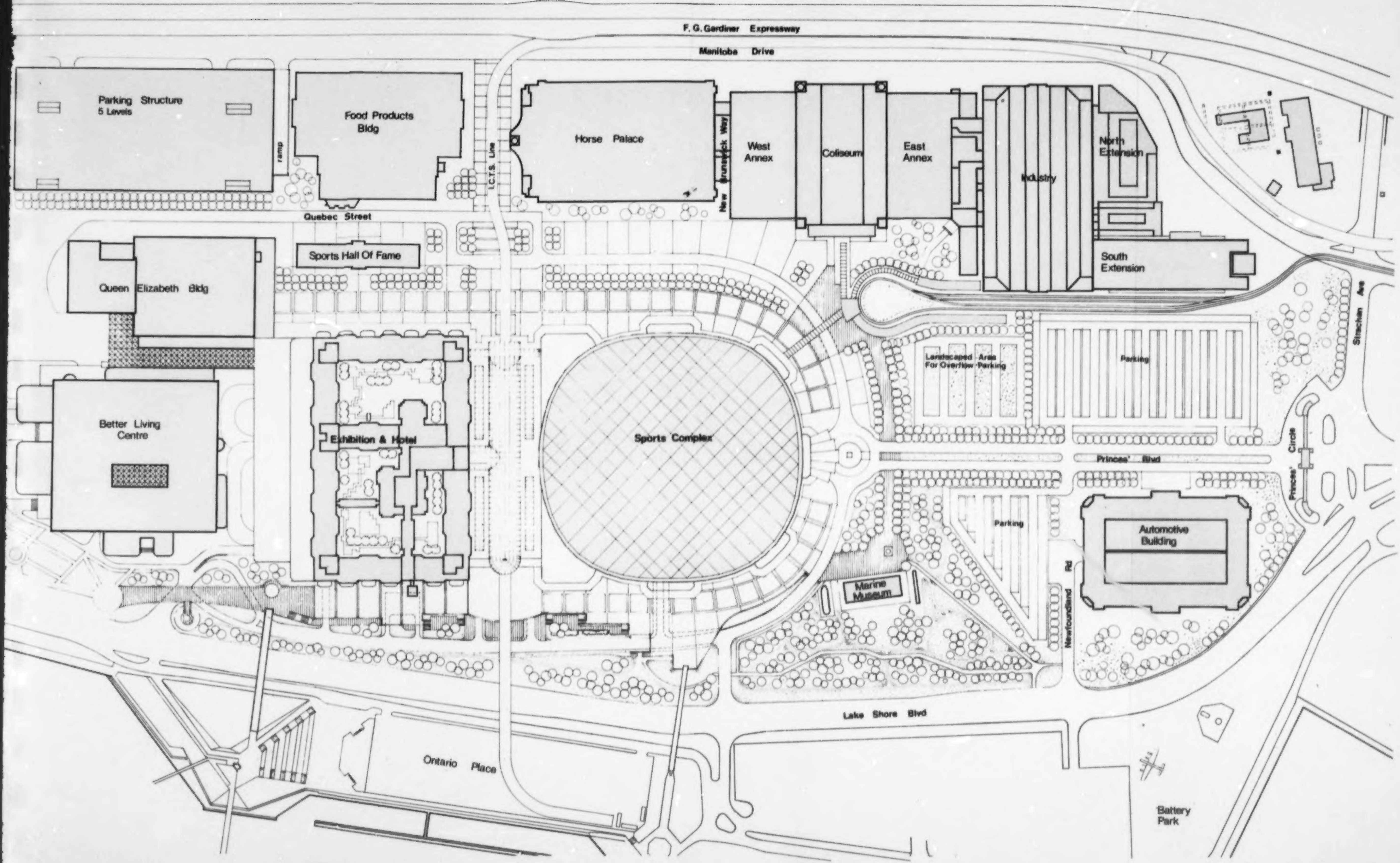
Hotel Level

Elevation +320'
Exhibit 33


F. G. Gardiner Expressway
Manitoba Drive
Parking Structure
5 Levels
ramp
Food Products Bldg
I.C.T.S. Line
Horse Palace
New Brunswick Way
West Annex
Coliseum
East Annex
Industry
North Extension
South Extension
Quebec Street
Sports Hall Of Fame
Queen Elizabeth Bldg
Landscaped Area For Overflow Parking
Parking
Strachan Ave
Better Living Centre
Exhibition & Hotel
Sports Complex
Princes' Blvd
Princes' Circle
Parking
Automotive Building
Newfoundland Rd
Marine Museum
Lake Shore Blvd
Ontario Place
Battery Park

EXHIBITION PLACE
Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study

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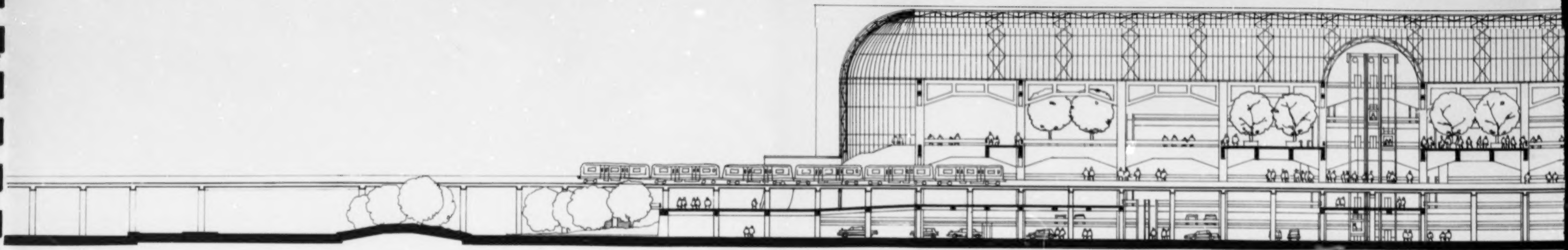
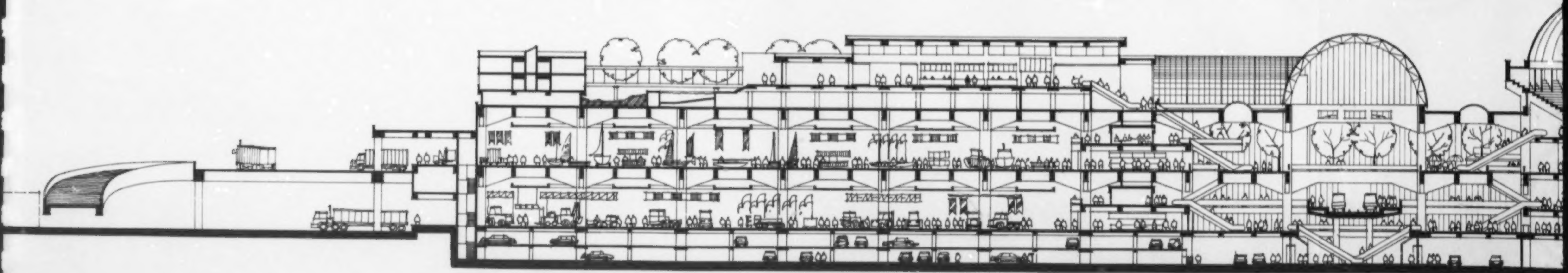
Management Consultants

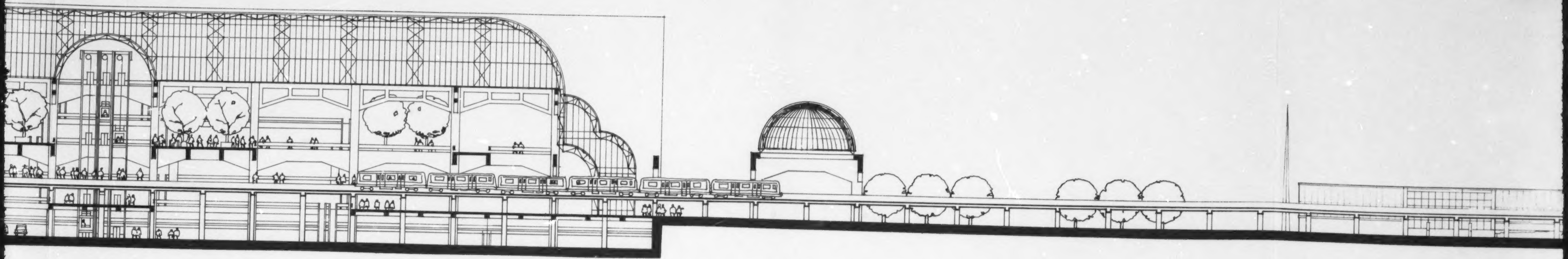
Heery Fabrap
architects engineers planners

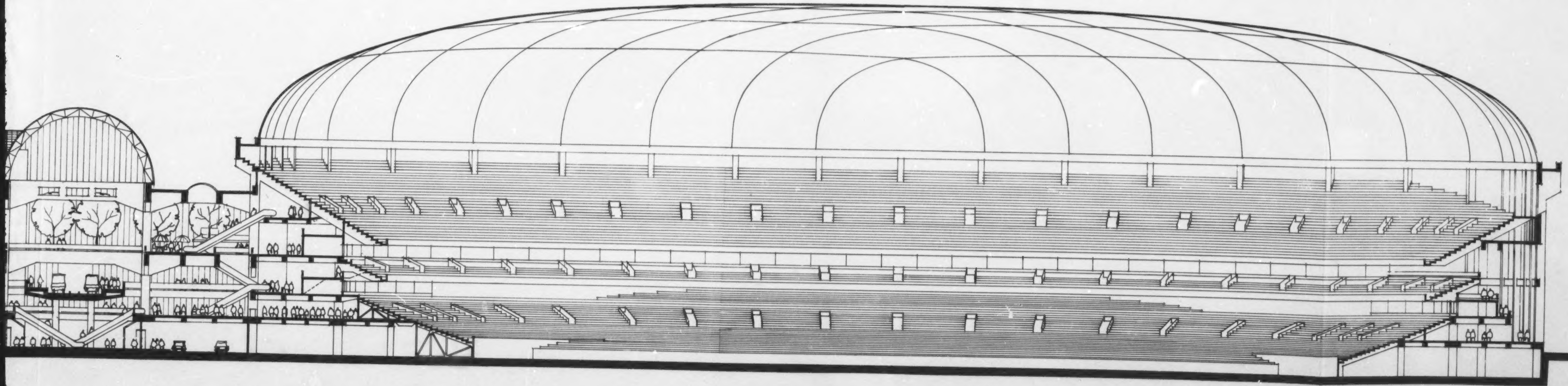
Roof Level

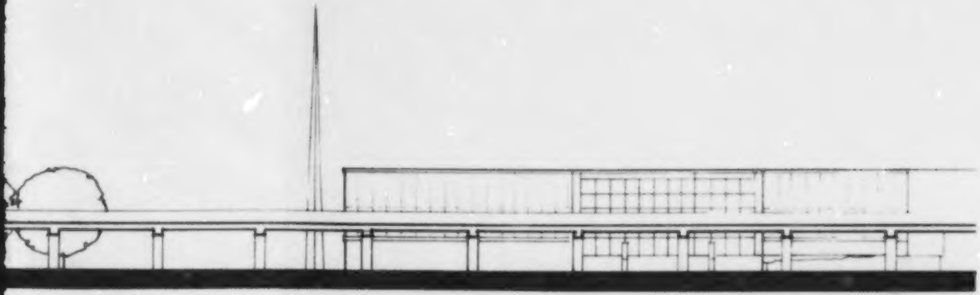
Exhibit 34

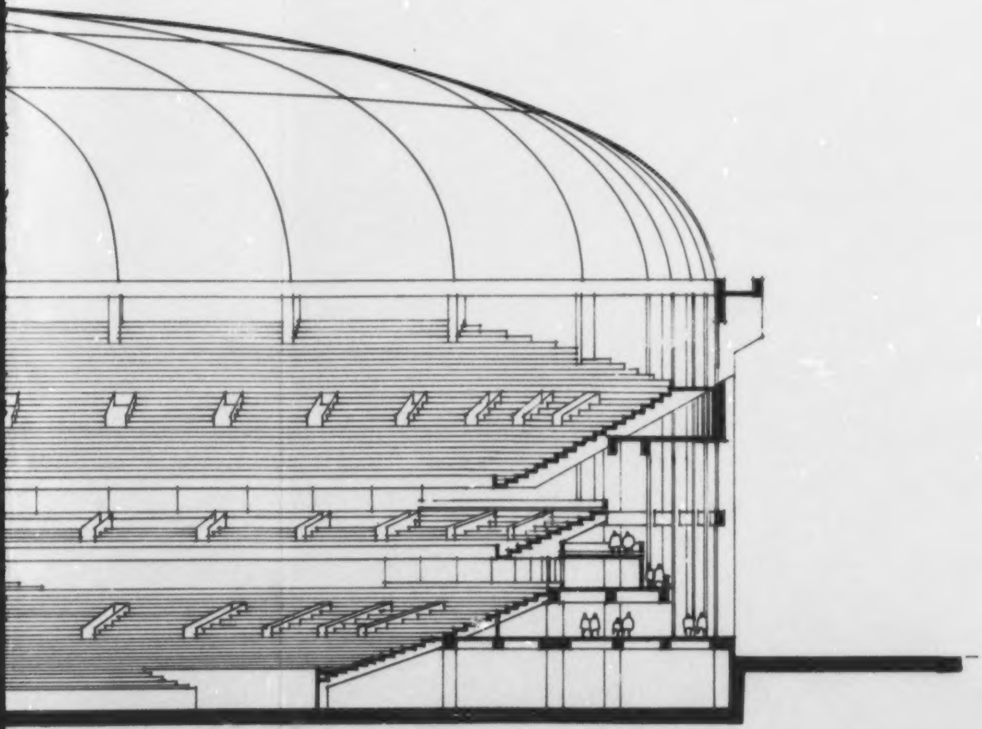












EXHIBITION PLACE
Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study

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Cross Sections

Exhibit 35

permit winter use. The interior space can be made more flexible and continuous by removing non-loadbearing brick walls and by turning the outdoor courtyard into interior exhibition space. This courtyard offers the opportunity to introduce a major skylight into the large roof area. All washrooms and concessions will be moved to the perimeter of the building. The existing crawl space permits an underfloor distribution of new mechanical and electrical services. The ceiling should be altered to include a flexible system of lighting, smoke control and air-conditioning equipment.

A physical connection with the Queen Elizabeth Building would open up approximately 272,000 sq. ft. (25,269 m^2) of exhibition space for a single event. It would also permit convenient access to the new parking garage as well as meeting and food service facilities in the Queen Elizabeth Building where a new conference centre/meeting suite would be developed. This would include conversion and modernization of the existing theatre into a major conference hall and a more flexible arrangement of the banquet and meeting rooms to maximize the use of the existing, excellent kitchen facilities. The present offices will remain until they can be relocated into the new stadium/exhibition complex.

In this component, the Queen Elizabeth Building will be further improved by expansion to the south and overall upgrading of visitor and exhibitor services.

b) Stadium (Component Two)

The stadium will have a capacity of 65,000 people for the major sports of football, baseball and soccer (see

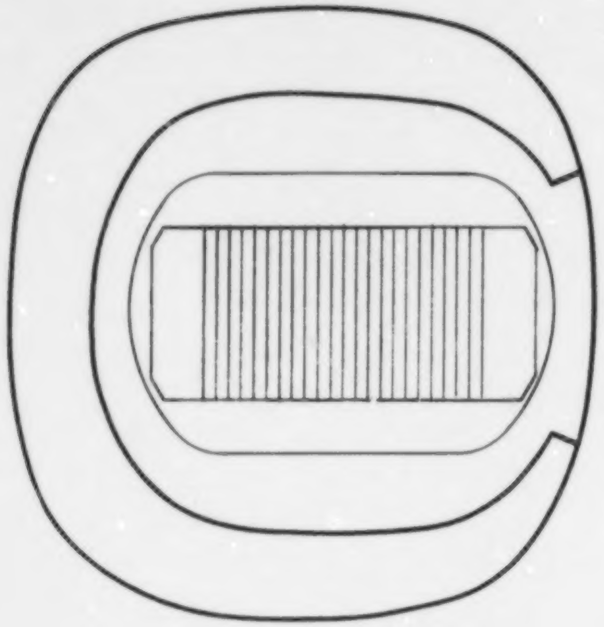
Exhibit 36). The football field will be the same size as the one in the new Vancouver stadium, with a 20-yard end zone rather than the normal 25 yards.

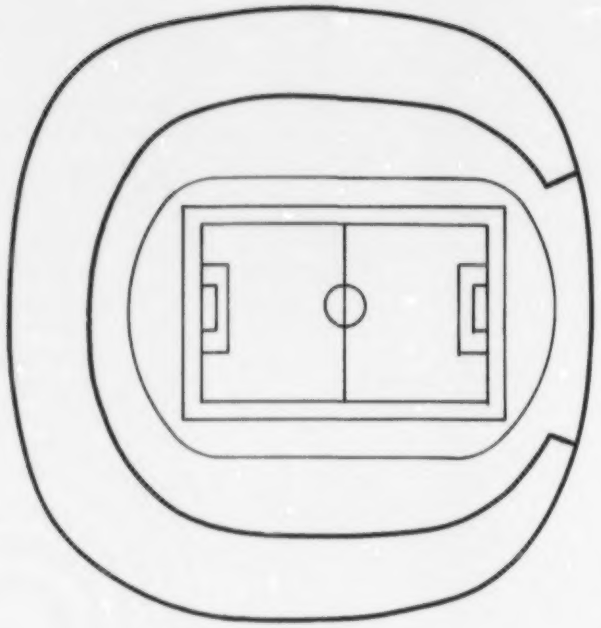
The field level is slightly above Lakeshore Boulevard and approximately ten to fifteen feet below the surrounding grade of the Exhibition Place grounds. This will permit the service, equipment and dressing room areas to be underground and conveniently adjacent to the field. Truck servicing and vehicular access is at the southwest corner of the stadium and would have access from Lakeshore Blvd. The field would have removable artificial turf and mechanical and electrical services set into trenches, as in the Vancouver and Seattle stadia, to permit exhibitions at field level on a hard surface.

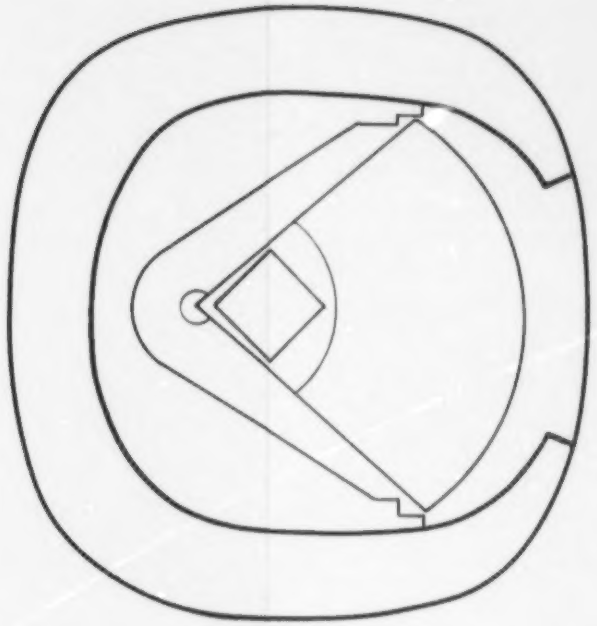
The stadium is designed as a multi-use forum for sports, entertainment and exhibition events. Sports functions which the stadium will accommodate are football, baseball, soccer, basketball, volleyball, tennis, track and field, auto and motorcycle races and equestrian events. In the latter case, horses will be transferred from the Horse Palace to the stadium via a temporary enclosure. Hockey could be accommodated with the use of a portable ice rink unless permanent ice-making equipment is installed, at additional cost. With careful design, the stadium can also provide an excellent space for concerts, political rallies, religious events, circuses, personality shows and trade and consumer exhibitions.

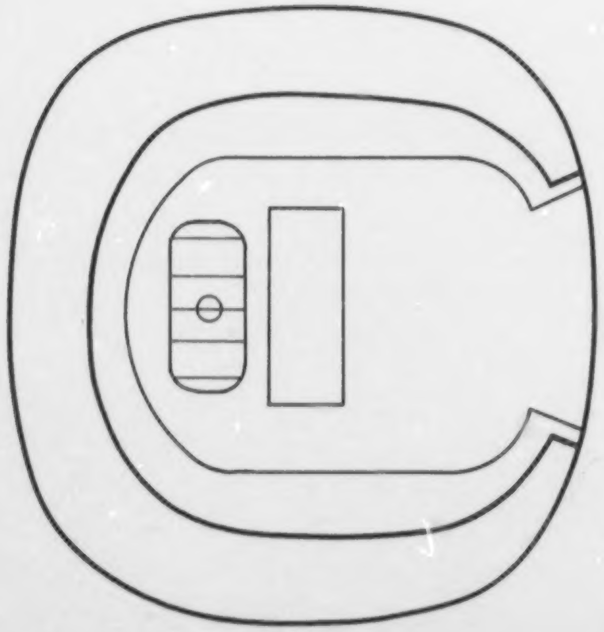
The stadium field will be surrounded by symmetrical tiers of seats except for the east side where the upper tier would be eliminated. The scoreboard will be positioned in this area to provide better visibility. The seating

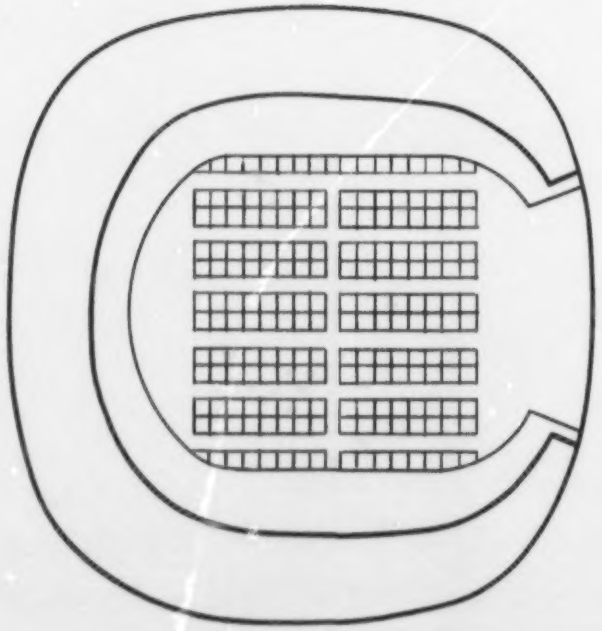
EXHIBITION PLACE
Toronto Ontario
Trade Fair / Sports Complex : Feasibility Study

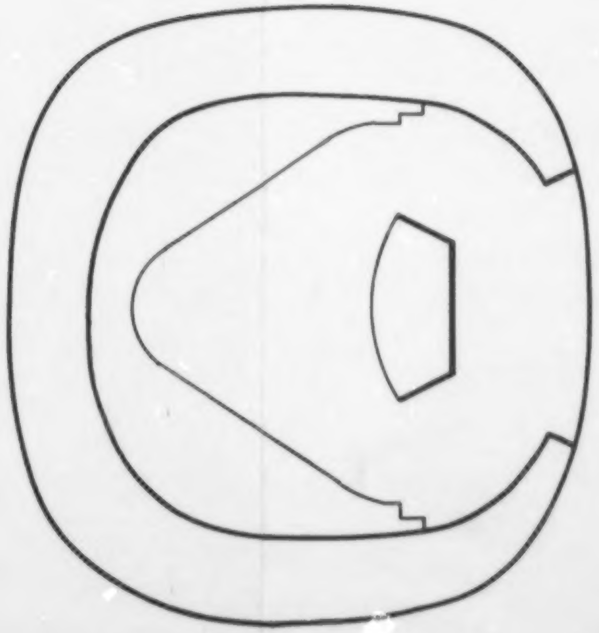

FOOTBALL


SOCCER


BASEBALL


HOCKEY
(BASKETBALL SIM.)


EXHIBITIONS


ENTERTAINMENT

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Management Consultants

Heery Fabrap
architects engineers planners

NEW STADIUM
ALTERNATE SEATING PATTERNS
EXHIBIT 36

configuration can be modified for football, soccer and baseball by a system of retractable and rotating bleachers, optimizing both the spectator sight lines and the number of seats, ±35,000, between the end zones for football (compared to the existing ±25,000). (See Exhibit 36.) The tier of seats on the east side can be moved onto the field surface to accommodate sports such as basketball, volleyball and tennis in the west half of the stands. As well, vehicles and mobile stages can be brought onto the playing level from the service areas on the east and west sides.

Two major public concourses provide access to the seating areas. The first, at the existing Exhibition Place grade level, provides access to the lower tier of seats and to the ramps which lead up to the upper public concourse. Both concourse areas provide ideal exhibition space and will have appropriate mechanical and electrical exhibitor services. Permanent installations such as washrooms and concessionaire kiosks are under the seats while the ramps are at the exterior, allowing a continuous flow of space for exhibitions. Delivery of goods to these areas will be by service elevators from the central receiving area at the south-west corner of the building.

Between the two public concourses is a semi-private concourse that provides access to the private boxes and loge seating, and to radio, TV and press areas. These areas ring the stadium immediately below the upper tier of seats.

Crowd capacities and movements must be analyzed and projected for all public areas of the stadium to ensure the correct locations and sizing of entry/exit doors, ramps/stairs/escalators and aisle concourses. This, combined with a graphic information system in all of these areas, will ensure convenient and orderly movements of people to, from and within the complex. A top quality sound system is essential and will both augment the graphic information system and allow a greater diversification of the types of events to be held in the stadium.

This study and conceptual design are based on an air-inflated cable and fabric roof because of its proven record and the availability of cost data. It should be noted that all of the major stadia built within the last seven years in areas with substantial snowfall (i.e., Pontiac, Minneapolis and Vancouver), have translucent fabric roofs which maintain their shape by increased air pressure within the building. For further particulars on this type of roof and other alternatives, see Appendix VII.

c) Main Exhibition Hall (Component Three)

Following the completion of the new stadium, the demolition of the existing stands will provide sufficient area for the development of a large new air conditioned main exhibition hall. As the conceptual design demonstrates, the opportunity has thus been created for a combined stadium/exhibition multi-use complex.

Because of the limited amount of available land and the desire for a retention of the open spaces on the site, a multi-storey exhibition complex is proposed. With the specific siting of the complex it has been possible to retain the Sports/Hockey Halls of Fame.

The main exhibition facility includes car parking and taxi areas on the lowest level with a two-level exhibition hall and a two-storey 300 room garden hotel above (expandable to 500 rooms at a later date). The two levels of exhibition space are connected by escalators and both are accessible from the concourse levels of the Arrivals Hall. With centralized control and access it would be possible to have six simultaneous events plus a major event in the stadium. The large multi-level spaces of the Arrivals Hall/Galleria provide visual and spatial interconnection as well as a good view of the waterfront.

The large 60 x 60 ft. (18m x 18m) column spacing throughout the exhibition areas minimizes visual obstructions and permits conformance to the accepted North American ten-foot (three-metre) show layout grid. Services (such as drainage, power supply, water and compressed air) will be supplied at floor level by a system of modular ducts with flexible access. Banners, signs and lights can be dropped from the ceiling space containing air conditioning units and smoke control equipment. A small complement of meeting rooms and offices will be provided at mezzanine level to fulfill the needs of exhibitors.

Each exhibition level is serviced independently by truck areas on the west side. By stacking these facilities, the ground level space requirements are reduced. The hotel will be serviced from the same area by an elevator system.

The hotel drop-off and entry faces Lakeshore Blvd., maintaining a separate address from the rest of the complex. Its internal garden complements the park-like setting of the site and its design provides views of the lake from a maximum number of rooms. These features of the hotel will create a unique facility and not merely a secondary adjunct to the stadium/exhibition complex.

Arrivals Hall/Galleria

The focus of the stadium/exhibition complex is the Arrivals Hall/Galleria which centralizes the required transportation systems, amenity facilities, public lobby and circulation areas while linking the exhibition hall and the stadium.

This central air-conditioned space gives recognition to the fact that large numbers of people will arrive at the site on foot from other buildings, the main parking structure, and from transit connections. Its vertical configuration establishes two main public areas, the ground level and the upper exhibition hall level. The Arrivals Hall will, therefore, provide access to 600,000 sq. ft. (55,740 m^2) of exhibition space and the two public concourses of the stadium.

Between these two levels is an area that has the potential to accommodate the Intermediate Capacity Transit System (I.C.T.S.) tracks and station. This would provide direct access to facilities with people moving from station level up or down to the public areas. The I.C.T.S. trains will enter the Arrivals Hall/Galleria through air curtain portals that would minimize heat loss from the space in winter.

The lowest level of the Arrivals Hall adjacent to the 1,900 car parking garage will provide access to a major car, shuttle bus and taxi marshalling area. All of these services will deliver a significant number of people to this complex, to Ontario Place, and to the rest of Exhibition Place. Vehicles have direct access at this level from Lakeshore Boulevard.

The animation of the Arrivals Hall/Galleria will be reinfoced with cafes, restaurants, shops and information kiosks that will have maximum exposure to people moving through the building. As well, the upper areas will accommodate trade show-related offices, Exhibition Place administration (40,000 sq. ft. [3,716 m^2]) and press and radio offices. A major medical care facility, with direct access to the stadium field and an emergency vehicle area will be provided for at the lowest level. A central security/police facility could be accommodated in the Arrivals Hall/Galleria. The central space will be covered by a glazed barrel-vaulted roof.

d) Renovation of Coliseum Complex and Industry Building (Component Four)

The Coliseum Complex and Industry Building will be renovated to upgrade this space for the Royal Winter Fair and other agricultural and livestock shows, and to provide ancillary exhibition space for large trade shows. While the West Annex will be used primarily for the exhibition of animals in conjunction with Horse Palace and Coliseum functions, the Industry Building, Coliseum and East Annex will continue to provide a dual agricultural/exhibition role.

The work in all of these areas will include general upgrading of the interiors, finishes, washrooms, the mechanical/electrical systems (but without air-conditioning), and the building envelopes (roofs and exterior walls).

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The work in all of these areas will include general upgrading of the interiors, finishes, washrooms, the mechanical/electrical systems (but without air-conditioning), and the building envelopes (roofs and exterior walls).

When this work is completed, it is anticipated that the Automotive Building can then be leased to a private operator for use as a permanent trade mart.

4. Construction Schedule and Costs

The proposed construction schedule and costs are outlined in Exhibit 37. All costs are in January, 1983, tender dollars, assuming a competitively tendered stipulated sum contract. Calculation of cost escalation should be applied only to the time lapse between January, 1983, and construction start. These estimates exclude land costs; owner's administration costs; and any new public transportation costs. The following costs have been included: architectural and engineering consulting fees; building permit fees and a 10% contingency. Except where specifically noted, the costs refer only to improvements west of Princes' Gate, north of Lakeshore Blvd., south of the Gardiner Expressway and east of the western face of the Queen Elizabeth Building. See Appendix IX for particulars.

The construction schedule and costs have been divided into four separate components. Each is separate and independent from the others except for Component Three, which is conditional upon the completion of Component Two.

Based on current practice, the cost of the stadium includes the following items:

a) Shell space only (but including external door and counters, air conditioning and lighting) for:
   - Concession Areas
   - Vendor Spaces
   - Clubs

- Private Boxes
- Equipment and Dressing Rooms

Note that the finishing of the above spaces is paid for by the respective users.

b) A new colour scoreboard, approximately 20 ft. x 40 ft. ($6-7MM)

c) Telephone co[illegible] (system and equipment is leased) and the cost of providing services for exhibitions (gas, air, water, drainage, electricity, etc.) within the stadium floor.

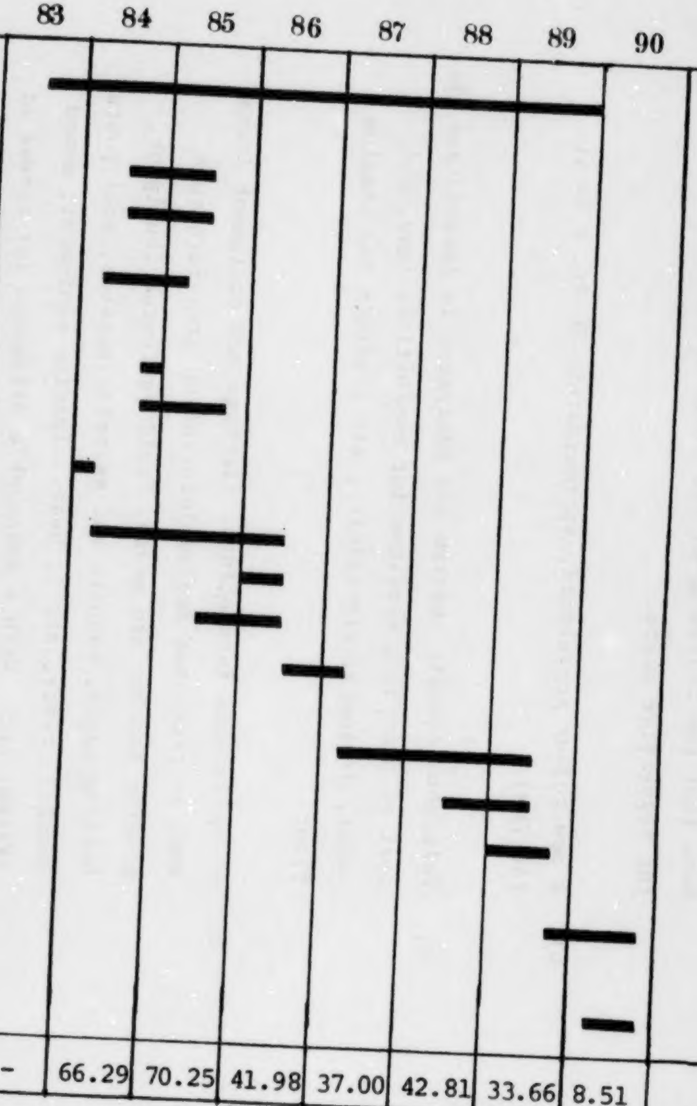
d) Miscellaneous furnishings, fittings and equipment items such as press box and administration area furniture, movable benches and seats, field equipment (bullpens, batting cages, banners and security screens, goal posts, baseball fence, etc.), heavy cleaning equipment, sound system, etc. With a reasonable allowance for re-use of materials from the existing stadium, the estimated cost of the above is $500,000.

Uniforms (ushers, teams, etc.) are a team expense and cleaning equipment, except for heavy equipment, is contracted out.

It is important to note that the capital costs of other stadia vary substantially. While this is due, in part, to variances in design and quality, the primary factors are most often differences in the completion date, (i.e., inflation), location (i.e., greater expense in some areas), currency (i.e., U.S. vs. Canadian), the extent of finishing (i.e., for concession areas) and the amount of equipment (i.e., mechanical/electrical) that is leased versus being shown as a capital cost.

EXHIBIT 37

EXHIBITION PLACE
CONSTRUCTION SCHEDULE AND COSTS



Page Ref.		83	84	85	86	87	88	89	90	COST CONSTANT (1983) $ '000,000's	
	Design & Permits										
97	Component One										
	Reno. - B.L.B. & Q.E.B.									8.4	
	Build. - B.L.B. & Q.E.B. Link									3.6	
	Site Works - B.L.B. & Manitoba Dr. & N.E. Parking									3.0	15.0
98	Component Two										
	Demo - West of Food Building									0.3	
	Build - North Parking Garage									16.0	
	Demo - Partial South Stands & Midway									1.2	
	Build - Stadium									140.0	
	Build - Link to Coliseum									0.9	
	Site Works - N.S. & E of Stadium									3.4	
	Demo - Existing Stadium									3.3	165.1
101	Component Three										
	Build - Main Exhibition Hall									98.4	
	Build - Link to Q.E.B.									1.0	
	Site Works (incl. marshalling yard)									9.3	108.7
104	Component Four										
	Reno - Annex, Coliseum, Ind. Bldg. N. & S. Extensions									11.4	
	Site Works									0.3	11.7
	TOTAL CAPITAL COSTS	-	66.29	70.25	41.98	37.00	42.81	33.66	8.51		300.5

Note: A number of critical assumptions and factors have been applied to produce the estimates included in this schedule. These are outlined in Sub-Section C4 of Chapter IV of the Report titled Construction Schedule and Costs.

The additional cost to provide permanent ice making facilities is five hundred thousand dollars.

The design concept indicates that an optional element exists in Component Three for a hotel of 300 rooms, with a 200 room expansion capability at a later date. Construction cost will be approximately $30,000,000, provided it proceeds at the same time as the main exhibition hall. The additional cost to building the exhibition halls to accommodate the constructon of the hotel at a later date would be approximately $1,500,000. These costs have not been included in the overall construction costs of Component Three.

The following items are carried in the capital cost for the new exhibition halls:

a) All new cleaning equipment (approx. $200,000 for 600,000 sq. ft. [55,740 m^2]).

b) All fixed F.F. & E. items in food service and concession areas (any non-fixed items will be at the expense of the operator of these areas).

c) Administration area furniture and equipment.

Moveable items such as furniture, security screens, curtains, banners, booths and carpets in the exhibition areas, meeting rooms, public entry and circulation areas, exhibitor clubs, food service and restaurant areas are not included in the capital costs.

In Exhibit 37, opposite, site works refers to the cost of all roads, parking areas, sidewalks, plazas, landscaping, lighting, drainage, street furniture, etc. within the site area.

As can be seen in Exhibit 37 the overall construction cost in constant 1983 dollars is $300,500,000.

V. FINANCIAL ANALYSIS OF CONSTRUCTION & OPERATIONS

This chapter presents the estimated capital costs and projected operating revenues and expenses for the years 1984 through 1994, assuming that a covered, multi-use sports stadium is constructed and the exhibition and trade show facilities are upgraded as previously discussed.

Projected operating revenues are examined in seven categories:

Exhibition Area - Existing Facilities
Exhibition Area - New Facilities
Stadium Operations
Parking
Canadian National Exhibition
Hotel Operations
Trade Mart Operations

Appendix XI provides a brief description of each component and the primary basis for the projected operating results of each category. Section B provides a summary of operating results during the projected period.

This chapter makes extensive use of two terms which require definition:

- constant dollars - that is, value expressed in terms of 1983 values; general inflation is excluded.
- current dollars - that is, value expressed in terms of values current in the year in which expenditures are made for each component; the values are inflated.

A. CAPITAL COSTS

Exhibits 38, 39 and 40 detail total demolition, renovation and construction costs, by project and year, measured in both 1983 tender dollars and dollars inflated by estimated increases in material and labor costs as detailed in Appendix XIII.

It should be noted that for a project built under one tender, the inflation factors are applied only to the period between January, 1983, and the time of tender. Costs are inflated in this way because 1983 "tender" values include an allowance for the anticipated inflation over the construction period of each tender. The amounts do not reflect capital costs of the hotel or the trade mart which are assumed to be developed by private interests. Additional details regarding the capital cost estimates rae located in Chapter IV of this report. The Summary of the Significant Assumptions and Notes on the Projected Statements of Operations (in Appendix XII) provide additional details on certain factors concerning capital costs.

B. OPERATING ANALYSIS

This section provides brief summaries of projected operating results for the period of 1984 thorugh 1994. These summaries do not provide all the facts and assumptions used in developing the projections, but provide a broad overview of anticipated net revenue streams and the major reasons or rationale in developing the projections. Appendices XI and XII provide a more detailed explanation of bases and assumptions used.

1. Exhibition Area - Existing Facilities

For purposes of this financial analysis, existing facilities are defined as all facilities before and after renovation except for the Better Living Centre, Queen Elizabeth Building,

EXHIBIT 38
EXHIBITION PLACE
PROPOSED DEMOLITION, RENOVATION, AND PROPOSED CONSTRUCTION SCHEDULE
MEASURED IN 1983 TENDER DOLLARS
(in 000's $)

Project Name	Cost in 1983 Tender Dollars			Project Start Date	Number of Months in Construction
	Demolition Cost (4)	Renovation Cost ($)	Construction Cost ($)		
Component One:					
Better Living Building and Queen Elizabeth Building		$ 8,400		July 1, 1984	12
Better Living Building and Queen Elizabeth Building Link			$ 3,600	July 1, 1984	12
Site Works -- Better Living Building, Manitoba Drive, NE Pkg.			3,000	July 1, 1984	12
Component Two:					
Structures West of Food Building	$ 300			July 1, 1984	3
North Parking Garage			16,000	July 1, 1984	12
Partial South Stands and Midway	1,200			January 1, 1984	3
Stadium			140,000	April 1, 1984	30
Link to Coliseum			900	April 1, 1986	6
Site Works -- North, South, and East of Stadium			3,400	October 1, 1985	12
Existing Stadium	3,300			July 1, 1986	9
Component Three:					
Main Exhibition Hall			98,400	April 1, 1987	27
Link to Queen Elizabeth Building			1,000	July 1, 1988	12
Site Works			1,800	January 1, 1989	9
Truck Marshalling Yard			7,500	January 1, 1989	6
Component Four:					
Annex, Coliseum, Industry Building, North and South Extensions		11,400		October 1, 1989	12
Site Works			300	April 1, 1990	6
Totals	$4,800	$19,800	$275,900		
Total Costs in 1983 Tender Dollars				$300,500	

EXHIBIT 39
EXHIBITION PLACE
PROPOSED DEMOLITION, RENOVATION, AND PROPOSED CONSTRUCTION SCHEDULE
MEASURED IN CURRENT DOLLARS
(in 000's $)

Project Name	Project Costs In Current Dollars	Project Cost by Year in Current Dollars										
		1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Component One:												
Better Living Building and Queen Elizabeth Building	$ 8,896	$ 4,715	$ 4,181									
Better Living Building and Queen Elizabeth Building Link	3,812	2,020	1,792									
Site Works -- Better Living Building, Manitoba Drive, NE Pkg.	3,177	1,684	1,493									
Component Two:												
Structures West of Food Building	318	318										
North Parking Garage	16,944	8,303	8,641									
Partial South Stands and Midway	1,271	1,271										
Stadium	148,260	51,891	56,339	$40,030								
Link to Coliseum	1,081			1,081								
Site Works -- North, South, and East of Stadium	3,835		2,071	1,764								
Existing Stadium	3,964			2,061	$ 1,903							
Component Three:												
Main Exhibition Hall	125,875				45,315	$54,126	$26,434					
Link to Queen Elizabeth Building	1,362					681	681					
Site Works	2,612						2,612					
Marshalling Yard	10,882						10,882					
Component Four:												
Annex, Coliseum, Industry Building, North and South Extensions	16,540						4,631	$11,909				
Site Works	464							464				
Total Construction Costs by Year	$349,293	$70,202	$74,517	$44,936	$47,218	$54,807	$45,240	$12,373				

EXHIBIT 40
EXHIBITION PLACE
PROPOSED DEMOLITION, RENOVATION, AND PROPOSED CONSTRUCTION SCHEDULE
MEASURED IN 1983 CONSTANT DOLLARS
(in 000's $)

Project Name	Project Costs In Constant Dollars	Project Cost by Year in Constant Dollars										
		1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Component One:												
Better Living Building and Queen Elizabeth Building	$ 8,400	$ 4,452	$ 3,948									
Better Living Building and Queen Elizabeth Building Link	3,600	1,908	1,692									
Site Works -- Better Living Building, Manitoba Drive, NE Pkg.	3,000	1,590	1,410									
Component Two:												
Structures West of Food Building	300	300										
North Parking Garage	16,000	7,840	8,160									
Partial South Stands and Midway	1,200	1,200										
Stadium	140,000	49,000	53,200	$37,800								
Link to Coliseum	900			900								
Site Works -- North, South, and East of Stadium	3,400		1,836	1,564								
Existing Stadium	3,300			1,716	$ 1,584							
Component Three:												
Main Exhibition Hall	98,400				35,424	$42,312	$20,664					
Link to Queen Elizabeth Building	1,000					500	500					
Site Works	1,800						1,800					
Marshalling Yard	7,500						7,500					
Component Four:												
Annex, Coliseum, Industry Building, North and South Extensions	11,400						3,192	$8,208				
Site Works	300							300				
Total Construction Costs by Year	$300,500	$66,290	$70,246	$41,980	$37,008	$42,812	$33,656	$8,508				

and the proposed 600,000 square foot exhibition hall. Renovations to the Industry Building, the North and South Extensions, and the Coliseum are considered necessary to keep these facilities in a condition sufficiently up-to-date to attract events at base rates. Renovations to the Better Living Centre and the Queen Elizabeth Building, however, are considered to be extensive enough to warrant rental rates 40% greater than the base rates and are reflected in this analysis as new facilities.

Although the 1983 CNE budget reflects a net operating profit for non-CNE activity, operating losses are projected for existing facilities for the years 1984 and 1987, primarily because net operating profits from parking (which are included in the 1983 budget) are shown as a separate component in this projection. The existing facilities show operating profits for the years 1988 through 1994, mainly attributable to:

- increased revenues per available square foot in catering and show services, and
- fixed costs of the facilities being allocated primarily to new facilities during the years 1990 through 1994, reflecting the relative weighting between available square footage of existing and new facilities as defined herein.

Net Operating Revenues Per Required Space Equivalent Foot(1) - Existing Facilities Only (See Appendix XII)

Year	Amount (Current Dollars)
1984	$(3.62)
1985	(2.93)
1986	(1.11)
1987	(.10)
1988	.95
1989	1.37
1990	1.55
1991	1.71
1992	2.39
1993	2.51
1994	2.63

(1) This measure is available square feet adjusted to reflect the effects of show size, usage and seasonality.

Projected Net Operating Gain (Loss) (See Appendix XII)

Year	Amount (in 000's current $)
1984	$(2,296)
1985	(1,472)
1986	(692)
1987	(65)
1988	591
1989	861
1990	256
1991	739
1992	1,032
1993	1,085
1994	1,139

It can be seen that, through the process of renovation, existing exhibition facilities make a valuable contribution to the operations of the facility.

2. **Exhibition Area - New Facilities**

New facilities, as defined in this financial analysis, include: a) the renovated Better Living Centre, b) the renovated Queen Elizabeth Building, and c) the 600,000 square foot exhibition hall. Because of the quality of these spaces, it is estimated that rental rates will be 40 percent greater than rates of the other exhibition facilities. Net revenues in 1990 reflect the addition of a 600,000 square foot exhibition hall, and 1991 revenues reflect an additional 200,000 square feet resulting from remodelling the East Annex, West Annex, and Coliseum. Our discussions with management and a review of actual and budgeted data indicate that labor costs, which represent approximately 40 percent of total operating expenses, contain a relatively high fixed cost component. This is one of the major reasons that net operating revenue per square foot increases as additional facilities are added. Other factors having a significant effect on net operating revenue include:

- the expectation that the new facilities' base rental rate will be 40 percent greater than that charged for existing space,
- increases in general base rental rates as well as in catering and show services, and
- utility cost savings resulting from energy efficient design and construction techniques.

Net Operating Gains (Losses) Per Required Space Equivalent Foot(1) - New Facilities Only (See Appendix XII)

Year	Amount (Current Dollars)
1984	$(.55)
1985	(.50)
1986	.22
1987	.83
1988	1.49
1989	1.76
1990	2.11
1991	2.11
1992	2.63
1993	2.77
1994	2.93

(1) This measure is available square feet adjusted to reflect the effects of show size, usage and seasonality.

Projected Net Operating Gains (Losses) (See Appendix XII)

Year	Amount (in 000's current $)
1984	$(35)
1985	(108)
1986	49
1987	200
1988	386
1989	468
1990	1,830
1991	1,703
1992	2,291
1993	2,420
1994	2,558

3. Stadium Operations

The projections reflect net operating revenues from the existing open-air stadium to range between $1,100,000 and $1,200,000 in the years prior to occupying a new domed stadium in 1987. Net operating revenues from operations of a new domed stadium are projected to be significantly higher, primarily due to the following factors:

- Stadium rentals are projected to increase by approximately 85% during the first year of operations in the domed stadium.

- User fees are expected to generate $2.5 million in revenues in 1987 (compared to $500,000 in 1986 from operations in the existing stadium). The increase reflects a user fee of 10% of the ticket price in a domed facility versus a current charge of $0.25 for tickets above $2.00 in value. Although the price of tickets has a significant effect on the number of people attracted, this appears a modest charge relative to the historic imposition of a $0.25 surcharge and the quality of the facility being provided.

- Reimbursement for services to tenants are projected to increase 99% in the first year of operations in a new facility.

- The number of VIP boxes in the new facilities is assumed to increase to 96 boxes compared to 14 in the existing complex. However, allowing for an initial lower net revenue per box because of the increased number and a general increase to a maximum of 98% occupancy in 1990, net revenues from VIP boxes in the new facilities do not increase substantially until 1990. It is assumed that VIP boxes in a domed stadium in Toronto will lease at a faster rate than for B.C. Place in Vancouver because of Metropolitan Toronto's larger corporate base and population.

- Increases in estimated attendance and number of events in the domed facility.

Utility expenses in a new stadium are projected to increase from $500,000 in 1986 (current facilities) to $2,000,000 in 1987, the first year of operations of the covered stadium. It is expected, however, that most of this increase will be recovered under lease arrangements with the tenants.

Projected Net Operating Gains
(See Appendix XII)

Year	Amount (in 000's current $)
1984	$1,173
1985	1,148
1986	1,187
1987 (1)	4,655
1988	5,405
1989	5,741
1990	7,421
1991	7,708
1992	8,056
1993	8,409
1994	8,800

(1) Assumed first year of domed stadium operations.

4. Parking

This category of net revenues includes parking from all events occurring on the grounds, including stadium events, but excluding any net revenues or expenses during the CNE period. Net revenues are down significantly in 1984 due to the limited number of spaces available as a result of construction activity. Increases in 1985 and 1986 reflect the estimated completion of the 2,600 car north parking garage on June 30, 1985.

Projected Net Operating Gains (See Appendix XII)

Year	Amount (in 000's current $)
1984	$ 378
1985	1,005
1986	1,707
1987 (1)	1,809
1988	1,981
1989	2,943
1990	3,419
1991	3,624
1992	4,194
1993	4,446
1994	4,713

5. Canadian National Exhibition (The Annual Fair)

Net revenues from the Canadian National Exhibition (CNE) were separated from non-CNE activity in the 1983 budget by CNEA management, and this analysis was used as our primary basis for CNE activity during the projection period. (See Appendix XV.) Net revenues are projected to increase by estimated inflation rates during the period 1984 through 1994.

Projected Net Operating Gains

Year	Amount (in 000's current $)
1984	$ 3,034
1985	3,994
1986	4,234
1987 (1)	4,488
1988	4,757
1989	5,089
1990	6,470
1991	9,218
1992	9,771
1993	10,357
1994	10,978

6. Hotel Operations

Current plans include the development of a 300-room hotel which, at a later date, could be expanded to 500 rooms on the exhibition grounds. It would be constructed, financed, and operated by private concerns. The CNEA would receive a net revenue stream under a land lease arrangement. All operating costs would be paid for by the operator. The first phase of the hotel (300 rooms) is assumed to be completed in 1991. Projected net revenues are based on the current hotel market around downtown Toronto. Factors considered include lease rates, occupancy levels, operating profits and costs, and anticipated returns from room rental, restaurants, and beverages.

Projected Net Operating Gains

Year	Amount (in 000's current $)
1991	$1,135
1992	1,304
1993	1,485
1994	1,574

7. Trade Mart Operations

The existing Automotive Building is expected to be converted to a 200,000 square foot trade mart, opening in 1991. The facilities will be constructed, financed, and operated by a private concern, and net lease revenue is expected to be approxiamtely $3.00 per square foot (in 1983 dollars). Projected revenues are based primarily on experience of the Brussels Trade Mart and other trade mart facilities.

Projected Net Operating Gains

Year	Amount (in 000's current $)
1991	$314
1992	366
1993	441
1994	468

The overall result of the changing activity on the Exhibition grounds is summarized in Exhibit 41. It can be seen that the net operating gain increases significantly throughout the decade.

Based on the projected operating results of the project (see Exhibit 41), we have concluded that a significant amount of the construction costs will have to be financed through one or more forms of government grants. It should be recognized that in other similar developments, various other taxes or financing methods have been used. These are described in Appendix XVI. Private financing is limited because projections indicate a rate of return to equity investors insufficient to attract large amounts of capital (See Appendix XVIII.)

VI. INCREMENTAL BENEFITS

This chapter summarizes the analysis of the benefits arising from the proposed development at Exhibition Place. These benefits fall into two categories, those that can be quantified, using recognized economic tools, and those which can not be measured, but only described qualitatively.

The chapter is organized by first describing the approach, then the quantifiable benefits and, finally, the non-quantifiable benefits.

A. THE APPROACH USED AND ESTABLISHED METHOD

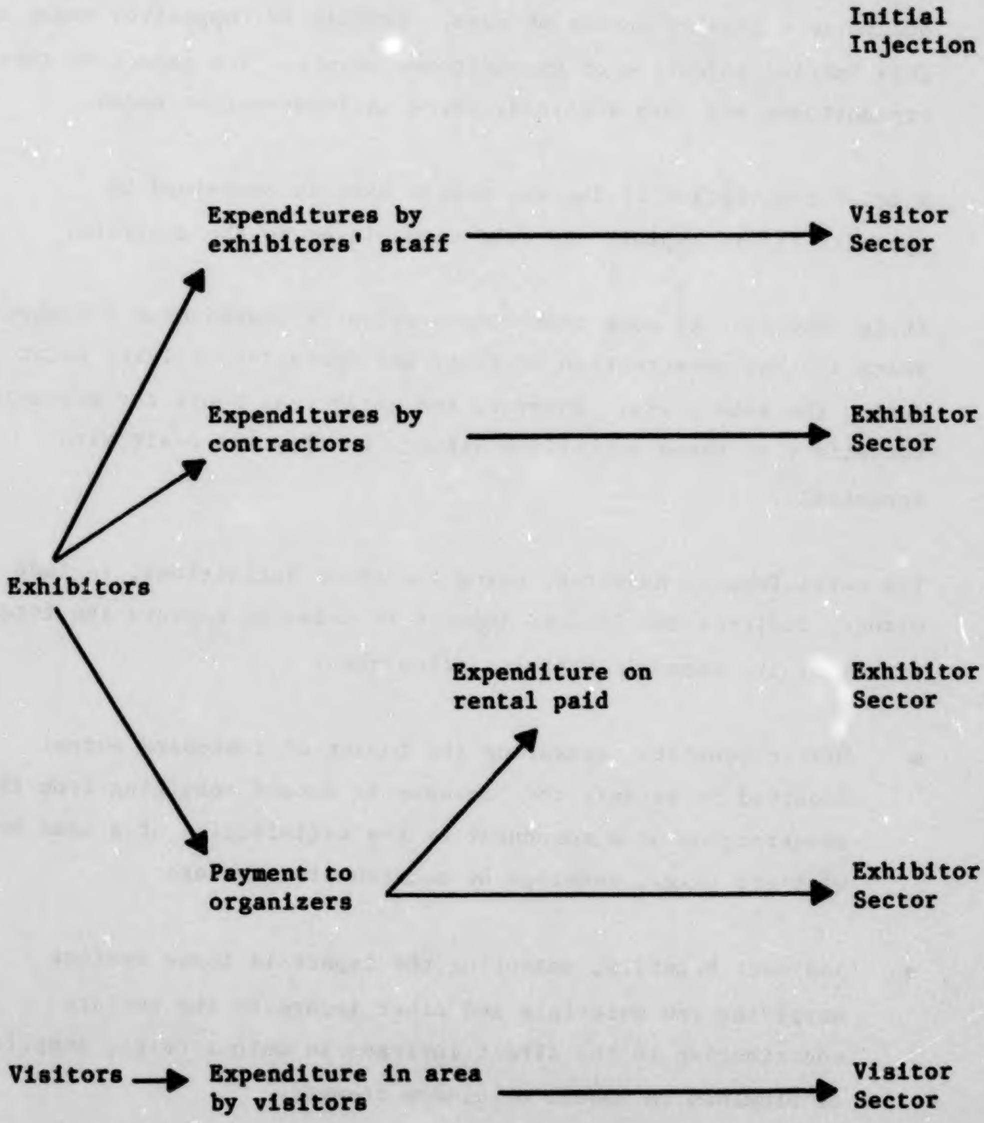
The approach takes the new expenditure that would result from the decision to construct and operate a new facility and analyzes the effect of this expenditure on various sectors of the national, provincial and local economies. Use of the input-output model allowed the analysis to examine not only the direct impact of expenditures, but also the impact of the further circulation of these dollars on the economy.

EXHIBIT 41
SUMMARY OF NET OPERATING GAINS AND LOSSES
MEASURED IN CONSTANT DOLLARS
(in 000's $)

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Exhibition Area - Existing Facilities											
Total Operating Revenues	$ 4,682	$ 4,294	$ 5,229	$ 6,031	$ 6,833	$ 7,106	$ 1,892	$ 4,552	$ 4,923	$ 4,923	$ 4,923
Total Operating Expenses	6,860	5,613	5,812	6,082	6,383	6,485	1,714	4,057	4,274	4,274	4,274
Net Operating Gain (Loss)	(2,178)	(1,319)	(583)	(51)	450	621	178	495	649	649	649
Exhibition Area - New Facilities											
Total Operating Revenues	539	2,126	2,571	2,954	3,339	3,470	11,319	10,533	11,390	11,390	11,390
Total Operating Expenses	578	2,248	2,556	2,823	3,076	3,165	10,174	9,527	10,091	10,091	10,091
Net Operating Gain (Loss)	(39)	(122)	15	131	263	305	1,145	1,006	1,299	1,299	1,299
Stadium Operations											
Total Operating Revenues	3,905	3,949	4,066	8,998	9,605	9,901	10,768	10,641	10,558	10,469	10,397
Total Operating Expenses	2,633	2,633	2,633	4,273	4,273	4,273	4,273	4,272	4,273	4,273	4,273
Net Operating Gain (Loss)	1,272	1,316	1,434	4,725	5,332	5,628	6,495	6,369	6,285	6,196	6,124
Parking											
Total Operating Revenues	658	1,336	2,015	2,015	2,074	2,822	3,071	3,071	3,335	3,335	3,335
Total Operating Expenses	301	437	573	573	585	734	784	784	837	837	837
Net Operating Gain (Loss)	357	899	1,442	1,442	1,489	2,088	2,287	2,287	2,498	2,498	2,498
Canadian National Exhibition											
Total Operating Revenues	14,245	16,770	16,770	16,770	16,770	16,883	19,381	24,602	24,602	24,602	24,602
Total Operating Expenses	11,371	13,183	13,183	13,183	13,183	13,263	15,037	18,763	18,763	18,763	18,763
Net Operating Gain (Loss)	2,874	3,587	3,587	3,587	3,587	3,620	4,344	5,839	5,839	5,839	5,839
Hotel Operations											
Net Operating Gain (Loss)								722	783	841	841
Trademart Operations											
Net Operating Gain (Loss)								200	220	250	250
Total Operating Gain Before Depreciation, Construction Costs, and Debt Service	$2,286	$ 4,361	$ 5,895	$ 9,834	$11,121	$12,262	$14,449	$16,918	$17,573	$17,572	$17,500

EXHIBIT 42

PATTERN OF INITIAL EXPENDITURE DURING OPERATION OF FACILITIES


Initial Injection
Expenditures by exhibitors' staff
Visitor Sector
Expenditures by contractors
Exhibitor Sector
Exhibitors
Expenditure on rental paid
Exhibitor Sector
Payment to organizers
Exhibitor Sector
Visitors
Expenditure in area by visitors
Visitor Sector

The streams of expenditures and benefits were analyzed. The analysis of the construction stream involved taking the total cost of construction and analyzing the effect of these expenditures, using an input-output analysis. The analysis of the operational stream (e.g., after construction) is more complex in that the impact occurs in a greater number of ways. Exhibit 42 (opposite) shows how this initial injection of expenditures occurs. The impact of these expenditures was then analyzed, using an input-output model.

A brief description of the two models used is contained in Appendix XIX to explain the role they played in the analysis.

It is important to note that construction is phased over a number of years so that construction activity and operating activity occur during the same years. However, the analytical tools for measuring the effect of these activities differ, so they are dealt with separately.

The total impacts measured, using the above definitions, include direct, indirect and induced impacts in order to capture the total effect of the economic activity stimulated.

- Direct benefits, measuring the impact of increased output required to satisfy the increase in demand resulting from the construction of a component or the satisfaction of a need by a visitor, (e.g., earnings by construction workers).

- Indirect benefits, measuring the impact in those sectors supplying raw materials and other inputs to the sectors contributing to the direct increase in output (e.g., suppliers of aluminum to makers of window frames).

- Induced benefits, which measure the impact of the re-expenditure of the wages and salaries paid as a result of direct and indirect activities.

The result of the analysis described above is expressed as:

- Value added - this is the incremental worth attributed to the product within a jurisdiction by reason of its manufacture. For example, if aluminum window frames are manufactured in Ontario, the value added in Ontario will be exclusive of the value of the aluminium stock brought from another province.

- Government tax revenues.

- Wages and salaries are the wages and salaries earned in each jurisdiction.

  Employment is expressed in man-years and jobs may be permanent, or temporary full or part-time.

The multipliers used to calculate these are included in Appendix XX. The values used are expressed in terms of 1983 dollars, unless otherwise stated.

B. THE CONSTRUCTION PHASE

The construction at Exhibition Place is a major non-residential construction project which is spread over a number of years. The construction techniques that will be utilized on a structure such as this will very likely be unique, but, as a number of major design decisions have yet to be made, it was decided to examine the impact on the basis of the effects for an "average" non-residential construction project.

It is important to recognize that, as this is a major public project, there is an opportunity to adopt procurement policies which can generate positive economic effects greater than those for the "average" project.

The impact of the construction phase is determined by the volume and nature of the construction activity. The effects are, therefore, calculated on the basis of the anticipated construction value in 1983 values of $300,500,000 and the multipliers for non-residential construction.

A major participant in this project is Metro Toronto and, therefore, consideration was given on how to express these benefits from Metro's point-of-view. The input/output models that were used to determine the impact on Canada and Ontario could not be used for Metro impact. However, a review of the analytic studies which were undertaken for the Convention Centre indicated that 70% of the economic activity generated in Ontario would be captured within Metro Toronto. This percentage was used to estimate the division of benefits between Metropolitan Toronto and the remainder of the Province.

Recognizing that there are difficulties in arriving at a precise division of benefits between two elements of an integrated facility, it was estimated that approximately half the benefit resulting from construction activity relates to the stadium and half relates to the exhibition facilities. The results of the analysis described above of the impact of a $300.5 million construction program are shown are the following tables.

Impact of $300.5 Million Construction Program

Total Impact	Metro Area[1]	Ontario	Canada
Value Added ($ millions)	223.00	318.00	378.00
Wages and Salaries ($ millions)	155.00	222.00	247.00
Government Taxes ($ millions)	0.50	37.00	54.00
Employment (man years)	8,900.00	12,700.00	15,000.00

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[1] Metro and adjacent regions.

Impact of Stadium

Value Added ($ millions)	111.50	159.00	189.00
Wages and Salaries ($ millions)	77.50	111.00	123.50
Government Taxes ($ millions)	0.25	18.50	27.00
Employment (man years)	4,450.00	6,350.00	7,500.00

Impact of Exhibition Component

Value Added ($ millions)	111.50	159.00	189.00
Wages and Salaries ($ millions)	77.50	111.00	123.50
Government Taxes ($ millions)	0.25	18.50	27.00
Employment (man years)	4,450.00	6,350.00	7,500.00

In addition to the above benefits which accrue to Metro, there will be the generation of local property taxes. This will not occur as a result of taxes on the development itself, which will not pay property tax, but as a result of the additional economic activity and the indirect impact this will have on the level of business activity. Additional total municipal property taxes (off-site) are estimated to amount to $546,000.

Some highlights to be noted from the analysis of construction impact are:

- A major part of the benefit will occur in Ontario, 85% of the employment being created in the Province.

- Significant impact in terms of employment and business occurs in the rest of Canada, outside Ontario; 2,300 man-years of work and $60,000,000 of activity measured on the basis of value added.

- The effect on Canada and Ontario in terms of employment is significant, 15,000 man years in total.

C. THE OPERATIONS PHASE

The impact of the operating phase occurs as a result of a number of expenditures. For the purpose of this analysis, the expenditure is broken down into expenditures on-site at Exhibition Place and expenditures occurring off-site. Expenditures off-site are broken into two categories.

(a) exhibitor services, and
(b) general visitor and exhibitor expenditures.

Expenditures by all visitors, including those coming to view as well as those operating the exhibition, are analyzed.

The analysis is done for one typical year when the facility is fully operational. This is taken as being 1992, but benefits are measured in 1983 dollar values. Operating-related benefits will build up to 1992 levels in the intervening years. It should be noted that all benefits detailed here result from additional activity to that already occurring at Exhibition Place today.

1. Benefits From Expenditures Occurring at Exhibition Place

A conservative proxy for these expenditures is the operating budget of the new facility. This budget captures all significant expenditures made by exhibitors and users of the facility.

In real terms, the annual operating budget of Exhibition Place will have increased by an amount of $27,000,000 by 1992.

When fully operational, 380 man years of employment will be available on a permanent and temporary basis on-site - an increase of 140 man years over today.

The impact on the economy of the on-site expenditures is as follows:

	Ontario	Canada
Value Added ($ millions)	30	35
Wages & Salaries ($ millions)	14	16
Senior Government Taxes ($ millions)	3	6
Employment (man years)	1,400	1,500

2. Benefits From Expenditure on Off-Site Exhibitor Services

It was acknowledged, through interviews, that this pattern of expenditure varied considerably, depending on the particular show and the nature and preferences of the exhibitors. The best comprehensive study of the pattern of this expenditure (The National Exhibition Centre, Birmingham) indicated that expenditures made on on-site and off-site services were approximately equal to the costs of renting exhibition space and securing on-site services. It was judged that, when comparing the nature of the services offered at the different facilities, this would result in an acceptable but conservative estimate of these expenditures.

On the basis of the incremental rental revenues and services estimated to occur by 1992, the off-site expenditures were forecast to be $12,130,000. This expenditure then generates the following impact as it works through the economy.

	Ontario	Canada
Value Added ($ millions)	13	15
Wages & Salaries ($ millions)	9	10
Taxes ($ millions)	1	2
Employment (man years)	500	600

3. Incremental Benefits From Visitor and Exhibitor Expenditures Off-site

An international-class exhibition facility at Exhibition Place will generate a substantial increase in visits to Metro Toronto. Sports events, trade shows and exhibitions will draw visitors who will increase the level of expenditures in the Toronto-centred Region.

We have provided estimates of the total number of show visitors and exhibitors for each type of event. The estimates of the number of show visitors are based on interviews and a survey conducted for the Canadian Association of Exposition Managers in 1981.

Based on our analysis of anticipated bookings, estimates have been prepared of the number of visitors to be attracted to Metro Toronto attributable to the new exhibition facility and domed stadium.

It is forecast that there will be significant additional attendance per annum at the exhibition facility and stadium by 1992.

Applied to these forecasts were estimates of expenditure and the location of the origin of the visitors (see Appendix XXI).

The result is that additional expenditure generated within the Metro Toronto area (defined as being the area within 25 miles of downtown) will amount to:

	By Canadian Visitors Living More Than 25 Miles From Toronto	By International Visitors	Total
Exhibition Visitors	$181,000,000	$45,000,000	$226,000,000
Stadium Visitors	18,200,000	9,100,000	27,300,000
	$199,200,000	$54,100,000	$253,300,000

As with the previous analysis, this will generate an impact on the economy which goes beyond the direct expenditures and is summarized as follows:

	Ontario	Canada
Value Added ($ millions)	322	335
Wages & Salaries ($ millions)	171	192
Taxes ($ millions)	31	51
Employment (man years)	16,000	17,000

The impact of the operations phase per annum involving both on-site and off-site expenditures is summarized as follows:

	On-Site Expenditures	Off-Site Exhibitor Services	Off-Site Visitor Expenditures	Total
ONTARIO (Includes Metro)				
Value Added ($ M)	30	13	322	365
Wages & Salaries ($ M	14	9	171	194
Taxes	3	1	31	35
Employment (man years)	1,400	500	16,000	17,900
CANADA (Includes Ontario)				
Value Added (S M)	35	15	335	385
Wages & Salaries ($ M)	16	10	192	218
Taxes	6	2	51	59
Employment (man years)	1,500	600	17,000	19,100

EXHIBIT 43

SUMMARY OF INCREMENTAL CONSTRUCTION AND OPERATING BENEFITS - 1983 $
($ Millions)

	Metro Toronto		Ontario (Includes Metro)		Canada (Includes Ontario)	
	Construction (2)	Operation(1)	Construction	Operation	Construction	Operation
STADIUM RELATED						
Value Added ($ millions)	111.5	99.7	159.0	121.6	189.0	128.3
Wages & Salaries ($ millions)	77.5	52.9	111.0	64.5	123.5	72.6
Government Taxes ($ millions)(3)	.25	.15	18.5	11.7	27.0	19.6
Employment (man years)	4,450.0	4,892.1	6,350.0	5,966.0	7,500.00	6,366.0
EXHIBITION RELATED						
Value Added ($ millions)	111.5	199.6	159.0	243.4	189.0	256.7
Wages & Salaries ($ millions)	77.5	106.2	111.0	129.5	123.5	145.4
Government Taxes ($ millions)	.25	.35	18.5	23.3	27.0	39.4
Employment (man years)	4,450.0	9,785.9	6,350.0	11,934.0	7,500.00	12,734.0
TOTAL DEVELOPMENT						
Value Added ($ millions)	223.0	299.3	318.0	365.0	378.0	385.0
Wages & Salaries ($ millions)	155.0	159.1	222.0	194.0	247.0	218.0
Government Taxes ($ millions)	.5	.5	37.0	35.0	54.0	59.0
Employment (man years)	8,900.0	14,678.0	12,700.0	17,900.0	15,000.0	19,100.0

1. Per annum figures at full operation.
2. Metropolitan Toronto for analysis of construction activity includes adjacent regions.
3. Includes taxes to each government jurisdiction.

Consideration was given to whether these benefits could be divided between the two major types of facility: the sports stadium and the exhibition. The linkage between the two facilities makes an accurate division difficult (exhibitions will be an important part of the stadium activities and entertainment can occur in the exhibition facilities). However, on the basis of the estimates of attendance charactertistics, it is estimated that approximately one-third of the operating benefits relate to the stadium and two-thirds to the remainder of the facility.

Another key issue is how much of the benefit is captured in Metro Toronto. This was estimated as being 82% of that for Ontario and indicated the following for Metro Toronto:

Value Added (S millions)	299.3
Wages & Salaries ($ millions)	159.1
Employment (man years)	14,678.0

Property taxes for Metro, calculated as for the construction phase, amount to an additional $520,000 (1983 $) per annum after 1992, with a gradual build-up to that year.

The proposed facilities will attract international visitors. The impact of their expenditures has been broken out and is shown in the following table:

	Metro	Ontario	Canada
Value Added ($ millions)	57	69	71.5
Wages & Salaries ($ millions)	30	37	41
Government Taxes ($ millions)	0.1	7	11
Employment (man years)	2,808	3,424	3,717

A summary of the key impacts for the construction and operating phases is provided in Exhibit 43.

D. NON-QUANTIFIABLE IMPACTS

The development proposed for the CNE in terms of exhibition and sports facilities is unique. Therefore, there are very few major facilities in comparable situations which can be studied to determine the impacts they have had on their communities. This section summarizes some of the non-quantifiable effects which were observed or commented on in the analysis of other facilities, and which are applicable to this site.

1. Land Use

Three impacts on land use were observed:

- Industrial Space

  The facility will create an off-site demand for industrial and warehouse space. This space will accommodate those who rent exhibition and sports equipment and who construct stands for exhibitions. Demand for space off-site is estimated to be in the order of 150,000 to 200,000 square feet. The demand for this space is likely to be primarily accommodated in the industrial area north of the exhibition grounds.

- Hotel Space

  Construction of both exhibition and sports facilities has stimulated the development of hotels. However, the cyclical nature of the demand means that commercial success depends on access to additional markets. The potential for a hotel development at the exhibition grounds is dependent on an attractive location overlooking the lake and the ability to attract business from the downtown area. The proposal for a transit line to downtown will obviously enhance the attractiveness of this site as a viable hotel location.

During periods of peak demand, a hotel on-site will be unable to accommodate the total demand and, therefore, the site's proximity to the concentration of hotel facilities in the core of the City of Toronto is an advantage.

- Permanent Trade Marts

Observations from other centres are that permanent trade marts are a difficult project to initiate. The most successful ones are tied directly into major exhibition space for temporary exhibitions and relate closely to major exhibitions. As noted earlier in this report, there is a potential for attracting such a facility to Exhibition Place through the conversion of the Automotive Building.

2. Retention of Sports Franchises

There is a close relationship between the sports franchises and the stadium; they are inter-dependent. It also is noticeable that a number of new stadia have been constructed on urban fringes and have attracted sports franchises out of the urban centres in a pattern similar to out-of-town shopping malls. There will likely be continued strong competition for the sports fan and for franchises if they are not adequately accommodated. However, a covered facility at Exhibition Place will ensure the continued identity of Metropolitan Toronto with the sports franchises.

3. Amateur Sports Activities

The projected activity for the sports facility indicates that there are many occasions when other events can be accommodated. Other covered stadia have offered time to public organizations for amateur activities in return for the marginal operating costs. This is done in order to support the participation of the general public in sports activity and encourage the development of amateurs. There is obviously a need for support of sports, but the benefits tend to be social rather than economic.

4. Exports

Effects on exports are hard to measure because so many large export deals are initiated at exhibitions, but not closed until some period after the show. Moreover, exhibition managers cannot keep track of the volume of business conducted at a show and, therefore, no statistics exist about the amount of exports which result from exhibitions.

We contacted the Department of Commerce in Washington and representatives of the Dusseldorf Messe in New York to determine whether any data exist about this question which might be useful for comparative purposes. Both sources indicated that the value of exhibitions to exports is immense, but that statistics are not available.

Because trade and consumer fairs are comprehensive displays of sectors of industry, such events allow buyers and sellers to come face-to-face with the latest technology, and to inspect products in working conditions. Professional discussions are critical in preparing deals and it, therefore, is axiomatic that exhibitions and related meetings promote exports.

In Germany, a country for which reasonably good data about exhibitions are available, the export promotion aspects of fairs are taken very seriously. The exhibition facilities in that country are large and well promoted, and every year, about seven million buyers and trade specialists travel there to visit exhibitions. In addition, about 75,000 exhibits from about 150 countries are accommodated by the exhibitions.

In the U.S., the U.S. government established the Foreign Buyer Program to promote export sales through exhibitions. The program has been credited with increasing foreign attendance at U.S. shows by an average of 50% over previous unassisted events, according to "Trade Show Week". Industry experts, therefore, feel that some very weak shows are surviving because of foreign buyers.

5. Other

It is notable that all centres which have domed facilities use the image that is created to promote themselves. Currently, these facilities are sufficiently unusual to represent a visitor destination in themselves. The facility will symbolize the progressive nature of the community and will lead to a variety of investment interests that are impossible to measure.

VII. CONCLUSIONS AND RECOMMENDATIONS

Exhibition Place is a well-established exhibition and stadium site which is next door to Ontario Place and has a splendid waterfront location. The envisaged complex will be a unique facility which will build on an existing base of established exhibitions and available buildings, and have a catalytic effect on development in adjacent waterfront areas. The complex will provide major incremental economic and social benefits to Metropolitan Toronto, Ontario and Canada, including job creation and export stimulation. Assuming that public and vehicular transportation improvements are realized, we conclude that Exhibition Place is an appropriate site for the complex.

It is recommended that:

- The proposal for an integrated exhibition and covered stadium complex at Exhibition Place be implemented.

- Transit improvements be made an integral part of the proposed complex.

- An effective management and marketing organization be established in order to market the facility on an international scale.

- The opportunities for a hotel and trade mart on the site be explored with the private sector.

- An off-site marshalling yard be made available for the proposed facility.

- Before detailed design of the stadium is commenced, a detailed examination of the roof design be completed.

CURRIE, COOPERS & LYBRAND

John Farrow.

J.E.L. Farrow

KEY INTERVIEWS CONDUCTED)

Organization	Name	Position	City
Cahners Exposition Group	Dennis Raveneau	Show Manager	Stanford, Conn.
Metropolitan Fair and Exposition Authority	Duane C. Peterson	General Manager	Chicago, Ill.
McCormick Place on the Lake	Hugo F. Alunni	Controller	Chicago, Ill.
Chicago Convention and Tourism Bureau	Sandy M. Guettler	Vice President	Chicago, Ill.
McCormick Place on the Lake	Weston E. Bacon	Asst. Gen. Mgr.	Chicago, Ill.
Greyhound Exposition Services	William B. Jones	Executive VP	Las Vegas, Nev.
Exhibition Stadium Corporation	Gordon R. Walker	General Mgr.	Toronto
Exhibition Stadium Corporation	Edward E. Tunney	Adm. Assistant	Toronto
Ontario Marketing Productions Ltd./Canadian Assoc. of Exposition Managers	Georgia Prassas	President	Toronto
Freeman Companies	Howard Bailey	Executive VP	Chicago, Ill.
McCormick Place on the Lake	Patrick T. Molloy	Director of Building Operations	Chicago, Ill.
Exhibition Place	Rose LeBar	Rental Agent	Toronto
The Canadian Association of Exposition Managers	Robert McBeth	Executive Director	Toronto
Maple Leaf Gardens/The Toronto Maple Leafs	Harold Ballard	Owner	Toronto
VS Services Ltd./Versa	J.E. Graham	President	Toronto
National Home Show	V. Taylor	Manager	Toronto

INTERVIEWS
(CONT'D)

Organization	Name	Position	City
Milan Trade Fair - MACEF	Mr. M. Marini	Secretary-General	Milan
MACEF	Mr. G. Rossini	Chief of Information	Milan
MACEF	Mrs. M. Morini	Information Officer	Milan
SIM-IVES	Mrs. L. Crico	Information Dept.	Milan
SIM-IVES (Trade Fair Organizing Company)	Mr. Roberto Berchet	General Manager	Milan
Da Vinci	Mr. G. Giomi	Manager	Calenzano Firenze, Italy
Interscript N.V.	Mr. M. Bruyn seraede	Editor	Deurne, Belgium
Cado	Mr. R. De Smedt	Marketing Mgr.	Brussels
Séri (Builders of the new Paris-Nord Exhibiton Halls)	Mr. M. Gasguet	Architect	Bois d'Arcy/ Versailles
Séri	Mr. A. Godin	Directeur	Bos d'Arcy, France
C.A.R. (Designers for the Lyon and Paris Exhibition Facilities)	Mr. J. Pelletrat	Chief Architect	Bois d'Arcy
C.A.R.	Mr. V. Lezer	Architect	Bois d'Arcy
Management Organization for the Exhibition Park of Paris-North-Villepintes	Mr. M. Brulé	Chargé de Mission	Paris (Villepintes)
Organization for the Exploration of the Exhibition Park of the City of Paris	Mr. D. Pauphilet	Directeur Général (Adj.)	Paris (Porte de Versailles)

INTERVIEWS
(CONT'D)

Organization	Name	Position	City
The Mercure	Mr. D. Henschel	General Manager	Paris (Porte de Versailles)
C and L Associates	Mr. B. Thomson	Director	Rotterdam
RAI Building B.V.	Mr. D. Elzinga	Manager of Information	Amsterdam
P.T.T.	Mr. H. Spencer	Manager	Amsterdam
P.T.T.	Mr. F. Sieswerda	Data Base Specialist	The Hague
International Messemarketing Gm6H NAMI	Mr. W. Neidergoker	Marketing Director	Dusseldorf
Kronen GMBH	M. M. Kronen	President	Dusseldorf
Dusseldorfer Messegesellschaft NOWEA	Mr. H. Leven	Exec. Director and President	Dusseldorf
Dusseldorf Trade Fairs	Dr. A. Asserate	Head of the Information Dept.	Dusseldorf
Dusseldorf Trade Fairs	Mr. H. Ertman	Marketing Mgr.	Dusseldorf
Dusseldorf Trade Fairs	Mr. H. Ernst	Marketing Mgr.	Dusseldorf
Deutsche Messe and Ausstellung AG-Hanover	Mr. B. Huhn	Journalist	Hannover
(Same)	Mr. E. Piper	Chief of Information	Hannover
(Same)	Mr. L. Mischnick	Chief Project Mgr.	Hannover
(Same)	Mr. J. Schomburg	Manager, Sales and Marketing	Hannover
Buro Wilke (Designers of the Dusseldorf Facilities)	Mr. H. Wilke	Architect	Hannover
Hannover-Messe International	Mr. J. Behrmann	Manager for Overseas Exhibitions	Hannover

INTERVIEWS (CONT'D)

Organization	Name	Position	City
Hannover-Messe International	Mr. I. Jackenroll	Manager	Hannover
Turner International	Mr. D. Gennarelli	Senior Engineer	New York/Milan
Brussels Trade Mart	Mr. K. Dubinsky	President/Gen. Mgr. and Co-owner	Brussels
Design Craft Ltd.	Mr. Robert George		Toronto
Convention and Tourist Bureau of Metro Toronto	Ms. M. Kenessey	Info. Officer	Toronto
Association Management Group	Susan Cook	Manager	Toronto
BOSCOM	John Noonan	Sales Rep.	Boston
Hockey Hall of Fame	Morris Reid	Curator	Toronto
Sports Hall of Fame	Tom West	Curator	Toronto
Sports Admmin. Centre	Joe Heim	Director	Toronto
International Centre	Randal Franklin	General Mgr.	Toronto
Canadian Manufacturers Association	Brent Larson	Director of Marketing	Toronto
Canadian Industrial Communicating Assembly	Margaret Robinson	Administrative Co-ordinator	Toronto
Society of the Plastics Industries of Canada	John Gustavson	Director of Development	Toronto
Canadian Hardware and Houseware Manufacturers Association	C. Vigon	Ass't to the Exec. Director	Toronto
Canadian Shoe Retailers Association	Jack Shand	General Mgr.	Toronto
Institute of Association Executives	Herb Perry	Executive Director	Toronto

INTERVIEWS
(CONT'D)

Organization	Name	Position	City
Canadian Football League	Ken Derrett	Director of Administration	Toronto
Toronto Argonaut Football Club	Ralph Sasio	General Manager	Toronto
	Susan Campbell	Ticket Manager	Toronto
Toronto Blue Jays Baseball Team	Paul Beeston	V.P. Business Operations	Toronto
	Judy West	Public Relations	Toronto
Canadian Soccer Association	Mr. E. King	Executive Director	Ottawa
Canadian Soccer Association	Mr. George Schwartz	Chairman, World Cup Board Committee	Montreal
Canadian Gift and Tableware Association	Mrs. Y. Bridgman	General Manager	Toronto
Statistics Canada	Mr. N. Miller	Input/Output Division	Ottawa
Potential Inc. Sports Marketing	Mr. R. Armor	President	Montreal

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- VS Services Ltd.
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APPENDIX III

STRUCTURAL CHARACTERISTICS OF THE MAJOR TYPES OF EXHIBITIONS IN THE MARKET

Type	Most Important Characteristics	Comments	Representative Historical Form and Examples
Specialized Trade Fairs of International Scope	• Aim is to make a sector of the market transparent • Occur mainly in sectors where sellers do not know well where the market is • Specialization by industry sector • Emphasis is on marketing	• Result of technical development and differentiation • New exhibitions often emerge from the splitting of existing exhibitions into specialized fairs for technical or consumer goods	Professional-oriented fairs and exhibitions: - Nuremberg: toy fair - Frankfurt: book fair - Cologne: photography fair - Montreal: fur show (emerging)
Specialized Trade Fairs of National Scope	• Same as above, but focussed on national buyers and sellers	Same as above	Professional-oriented fairs and exhibitions: - The National Industrial Production and Machine Tool Show - Canadian Premium/Incentives/Travel Show - Toronto e.g., Shows in Kitchener and Sudbury
Merchandise Marts/Trade Marts	• Usually national in scope • Fixed place • Open permanently, although individual exhibitors may elect to be open only during certain times • Work well only in sectors where the market is not transparent (e.g., fashion, shoes, furniture, office equipment) • Divided up by sector	• Trammel Crow Corp. major participants in the industry (Dallas, Brussels)	Examples: - Chicago - New Orleans - San Francisco - Brussels - Utrecht - Montreal (Place Bonaventure)
National Exhibitions and Traditional Agricultural Fairs	• National Exhibitions often grew from Agricultural Fairs • National in scope • Usually annual events • Traditional	• Wide variety of activities • Declining	• CNE - Toronto • Royal Agricultural Winter Fair • Foire de Paris - Porte de Versailles
World Exhibitions	• International • Major aims: - display of technical progress - peaceful competition - generate revenues to hosting city	• Many sectors of industry initially; more specialization recently	• Paris • Brussels • Montreal • Knoxville • Vancouver (planned)
Consumer Shows	• Local or regional in nature • Attract large number of non-professional visitors	• Have a low multiplier	Examples: Sportsmen's Show, Toronto Do-It-Yourself Show, Toronto Boat Show, Toronto

EXHIBITION PLACE

ATTENDANCE OF EXHIBITIONS AT EXHIBITION PLACE

1979

Exhibition	Attendance	Days	Building
Sportsman's Show	325,000	11	Coliseum Complex
Home Show	217,700	9	Coliseum Complex
Boat Show	150,000	11	Coliseum Complex
Speed Sport/Van Show	80,000	3	Autom./Q.E. Bldg.
Do-It-Yourself	70,000	4	Coliseum Complex
Farm Show	66,000	4	Coliseum Complex
Craft Show	45,000	7	Coliseum Complex
Camping on Wheels	35,000	5	Automotive Bldg.
Pool and Patio	30,000	4	Q.E. Bldg.
Total, Exhibitions in Sample	1,018,700		
Average/Exhibition	113,189		

Source: C.N.E.

APPENDIX V

EXHIBITION STADIUM
ANALYSIS OF OPERATING REVENUES AND EXPENDITURES, 1976-1980

	1976	1977	1978	1979	1980
Revenue					
Football	486.8	452.2	539.6	429.5	541.4
Baseball	0.0	609.1	564.3	523.8	509.9
Soccer	0.0	0.0	0.0	139.2	183.0
Other Events	0.0	21.9	84.3	27.1	92.1
Amateur	40.0	32.0	18.0	20.8	13.1
Concerts	67.2	137.4	261.6	317.5	124.4
Income from rental of Storage Space, etc.	30.0	38.4	87.8	60.8	61.8
Int. & Misc.	8.0	26.9	62.5	111.2	98.9
User Fee	103.6	554.6	537.2	498.4	486.1
Private Box	0.0	206.9	267.8	268.0	268.0
Total	735.6	2,079.4	2,423.1	2,396.3	2,378.6
Expenditures					
Admin.	76.0	238.0	352.2	394.9	489.9
Special Projects	0.0	0.0	193.4	228.5	179.6
Football	184.8	234.4	281.6	265.3	351.8
Baseball	0.0	151.7	242.3	271.1	364.1
Soccer	0.0	0.0	0.0	93.7	116.9
Other Events	0.0	109.1	7.1	10.2	14.3
Amateur	58.1	59.1	31.6	40.5	23.1
Concerts	124.5	48.8	59.0	38.1	38.9
Total	443.4	841.1	1,167.2	1,342.3	1,578.6
GROSS REVENUE	292.2	1,238.3	1,255.9	1,054.0	800.0

RENOVATING EXISTING STADIUM VS. BUILDING NEW

In order to compare the economic advantages and disadvantages of building a totally new 65,000-seat stadium and subsequently demolishing the existing stands versus renovating and addding to the existing south stands to create a covered 65,000-seat stadium, five hypothetical renovation designs were completed (Schemes A to E). See Exhibit 1. All designs are contingent upon obtaining the symmetrical shape which is a requirement of an inflatable fabric roof. As can be seen from the attached plans and sections, Scheme A retains almost all of the south stands while Scheme E retains a very small section of the south stands. Note that all schemes assume that the football and baseball teams must continue to play their regular schedules at the existing stadium during construction.

SCHEME "A" - ADVANTAGES

The economic advantages of Scheme A versus building a new stadium are as follows:

		000's
Value of a large portion of the existing stadium which is retained, including the administration areas, is:		$20,000
The value of improvements that must be completed to this existing structure are:		
- Convert bench seating to chairs.	$2,000	
- Building code improvements (fire enclosures, fireproofing, sprinklers, exit units, etc.).	3,000	
- Improve washrooms, concessions, etc.	1,000	
Total cost of improvements		(6,000)
Net Economic Value of Existing Stadium		$14,000
Saving on demolition costs of south stands which are required with construction of totally new stadium		1,500
Total value in retaining south stands		$15,500

SCHEME "A" - DISADVANTAGES

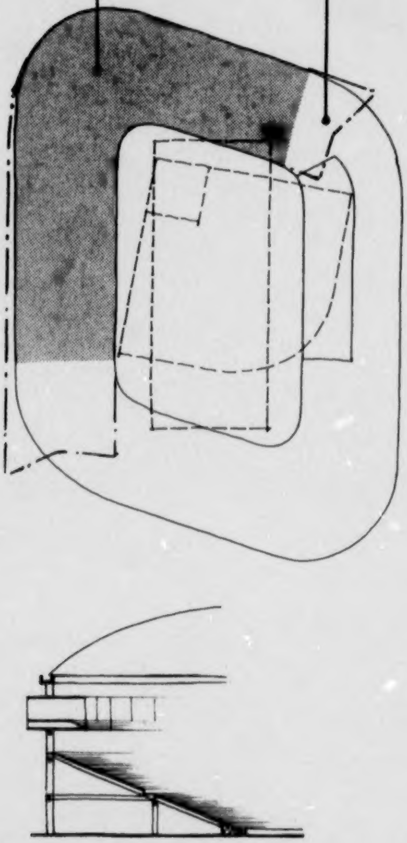
The economic disadvantages (premiums) of construction of Scheme A vs. building a totally new stadium are as follows:

Capital Cost Premiums

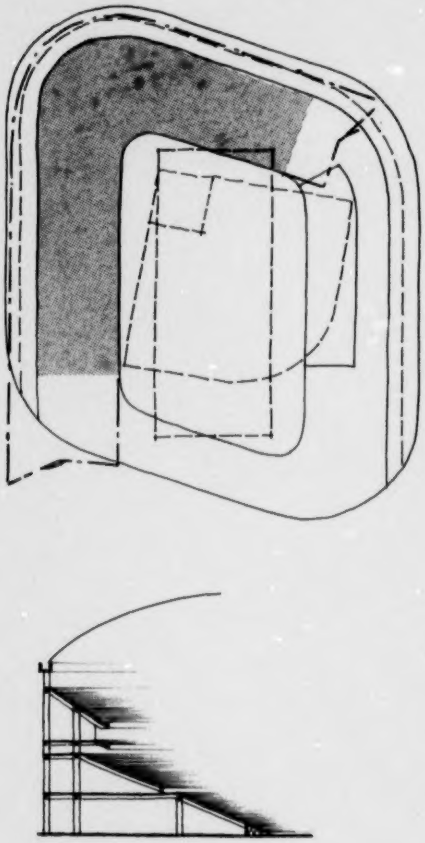
- Larger roof (+65,000 sq.ft. and unusual roof shape	$3,000
- Risk and difficulties of installing roof in winter between baseball seasons (50% x $15M)	7,500
- Other major construction tasks in winter (+1%)	1,000
- Reduced space fot construction (+.2%)	200
- Increased cost of building boxes over existing seats (+25% x $2.0M)	500
- Risk of construction problems and cost overruns with renovation and matching additions (+2 x $20 M)	400
- Need for exterior design requirements in future interior space (i.e. special waterproofing, finishes, etc.)	200
- Temporary lighting required for football and baseball	100
- Relocation of facilities in north stands (i.e. dressing rooms, police, etc.)	100
- stop/start of construction	100
- Risk of major structural modifications to existing stands	---
Total	$13,100

Operation Penalties During Construction

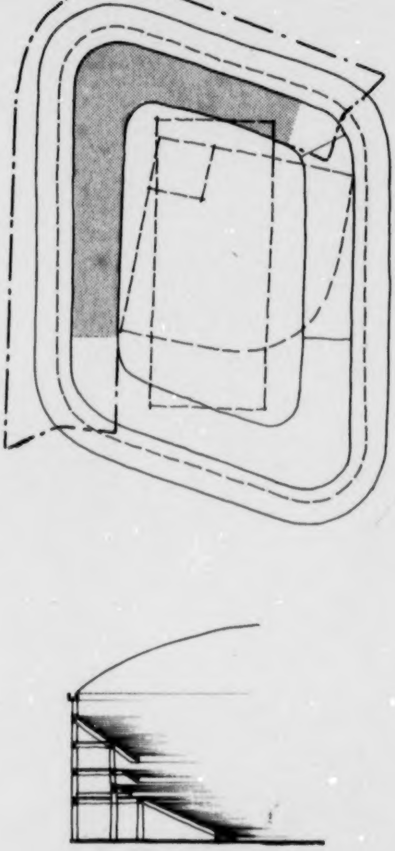
- Increased administration cost (i.e. temporary protection, security, cleaning, agreements, etc.)	$ 200
- Only 10,000 good seats and 16,000 second class seats for one football season	1,000
- Only 24,000 good seats for one baseball season	400
- Loss of revenue from restaurants and food concessions in north stands	100
- Loss of revenue for grandstand shows for one season	160
Total	$ 1,860


EXISTING STADIUM TO BE RETAINED
EXISTING STADIUM TO BE REMOVED

SCHEME A



SCHEME B

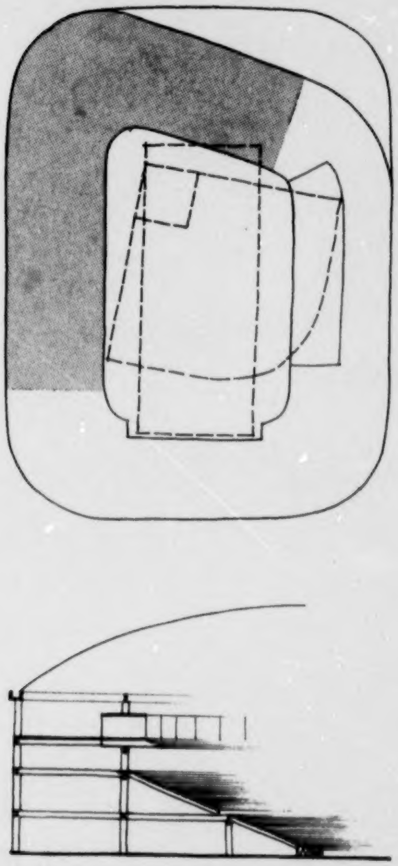


SCHEME C

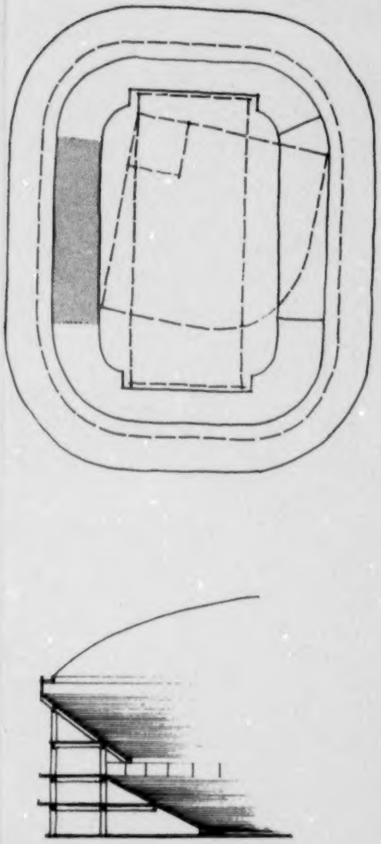
EXHIBITION PLACE

Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study



SCHEME D



SCHEME E

arcop · thom
architects planners

Currie, Coopers & Lybrand
Management Consultants

Heery Fabrap
architects engineers planners

EXISTING STADIUM

ALTERNATE RENOVATION SCHEMES

EXHIBIT 1

Note that the loss of the scoreboard for one season has not been included as this will also occur with the construction of a new stadium. As well, if the football team were to move to Varsity Stadium, a similar loss of revenues would occur.

Long-Term Operating Penalties (net present value)

These premiums are primarily due to the fact that Scheme A is not a state-of-the-art stadium design.

	000's
- Must heat 15% larger roof area	$ 100
- 5,000 less desirable seats become unacceptable for football and baseball	100
- 10,000 prime seats are 30 feet further from field	100
- Potential risk in selling private boxes which are 50 feet further from field	600
- More difficult to use concourse levels for trade shows (note that to replace this space for major shows would cost approximately $5.0M)	100
- Poor marketing image because of abnormal shape, some very bad seats, seats in end zone do not face field, etc.	2,000
Total	$3,000

SCHEME "A" - SUMMARY

A summary of the economic advantages and disadvantages of Scheme A vs. building a new stadium are as follows:

Value of retaining existing stadium		$15,000
Value of penalties of Scheme A		
- Capital cost	$13,100	
- Operations during construction	1,860	
- Long-term operations	3,000	
Total Penalties		(17,960)
PREMIUM OF SCHEME "A" VS. BUILDING NEW STADIUM		$ 2,460

SCHEME "B" - ADVANTAGES

The economic advantages of Scheme "B" vs. building a new stadium are as follows:

		000's
- Value of a large portion of the existing stadium which is retained		$20,000
- The value of improvements that must be made to this existing structure:		
- Convert bench seating to chairs	$2,000	
Building code improvements (fire enclosures, fireproofing, sprinklers, exit units, etc.)	3,000	
Improve washrooms, concessions, etc.	1,000	
- Total cost of improvements		6,000
- Net economic value of existing stadium		$14,000
- Saving on demolition costs of south stands which are not required with construction of totally new stadium		1,500
Total economic advantage in retaining south stands		$15,500

SCHEME "B" - DISADVANTAGES (premiums)

The economic disadvantages of construction of Scheme "B" vs. building a new stadium are as follows:

Capital Cost Premiums

- Larger roof (30,000 sq.ft.) and unusual roof shape	$2,000
- Risk and difficulties of installing roof in winter (50% x $14M)	7,000
- Other major construction tasks in winter (+1%)	1,000
- Reduced space for construction (+.2%)	200
- Increased cost of building boxes and second tier of seats over existing seats (+25% x $12.0M)	3,000
- Risk of construction problems and cost overruns with renovation and matching additions (+2% x $20M)	400
- Need for exterior design requirements in future interior space (i.e., special waterproofing, finishes, etc.).	200

	000's
- Temporary lighting required for football and baseball	100
- Relocation of facilities in north stands (i.e. dressing rooms, police, etc.)	100
- Stop/start of construction	100
- Risk of major structural modifications to existing stands	-
- Need for escalators to reach upper tier	1,000
Total	$15,100

Operating Penalties During Construction

- Increased administration costs (i.e., temporary protection, security, cleaning, agreements, etc.)	200
- Only 9,000 good seats and 15,000 second class seats for one football season	1,100
- Only 22,000 good seats for one baseball season	500
- Loss of revenue from restaurants and food concessions in north stands	100
- Loss of revenue for grandstand shows for one season	160
Total	$2,060

Long-term Operating Penalties (net present value)

These premiums are primarily due to the fact that Scheme "B" is not a state-of-the-art stadium design

- Must heat 7% larger roof area	50
- 2,500 less desirable seats become unacceptable for football and baseball	50
- 15,000 prime seats are 30 feet further from field (but 5,000 more are between end zones or on base lines)	-
- Potential risk in selling private boxes which are 50 feet further from field	600
- More difficult to use concourse levels for trade shows. Note that to replace this space for major shows would cost approximately $5.0M	100
- Poor marketing image because of abnormal shape, some very bad seats, seats in end zone do not face field, etc.	1,500
Total	$2,300

SCHEME "B" - SUMMARY

A summary of the economic advantages and disadvantages of Scheme "B" vs. building a new stadium are as follows:

		000's
Value of retaining existing stadium		$15,500
Value of penalties of Scheme "B":		
- Capital cost	$15,100	
- Operations during construction	2,060	
- Long term operations	2,300	
Total penalties		19,460
PREMIUM OF SCHEME "B" VS. NEW STADIUM		$ 3,960

SCHEMES C, D, & E

It is our opinion that the capital cost premiums to save the existing south stands will increase substantially with Schemes C, D and E. Consequently, we have not analyzed these schemes in financial detail.

CONCLUSION

We recommend that it is preferable to build a totally new domed stadium as opposed to renovating and adding to the existing stands for the following reasons:

1. To renovate and add to the existing south stands will cost approximately the same as building a totally new stadium.
2. Renovation of the existing facility into a stadium which is not a state-of-the-art design increases marketing and operating risks. There is an increased chance of a negative public response to the facility.
3. Renovation increases the opportunity for cost and safety risks during construction.
4. Renovation increases disruption to existing sports and entertainment events during construction.
5. Renovation increases risk of having insoluble design problems or very expensive solutions (i.e., new fire exiting requirements for south stands when it becomes an enclosed structure).

STADIUM ROOF DESIGN

While, for reasons listed in the body of this report, our concept design is based on a pressurized cable and fabric roof system, the following facts should be noted:

1. The fabric portion of the roof has a limited life expectancy of between 10 to 20 years after which it must be replaced at a significant cost.

2. The roof relies on mechanical equipment both for pressurization to maintain its form and for heating to melt snow, and if deflation occurs, there should be minimal risk to the building occupants. However, it is impossible to use the building and significant damage can occur to the fabric panels (i.e., in a snow storm). Note that, while problems have occurred with the roof in Minneapolis, the stadia in Syracuse and Pontiac have generally been problem-free.

   The removal of snow from the roof by heating from the interior has a significant impact on the yearly energy costs for the building.

3. There are initial indications that the use of this type of roof will require negotiations with the applicable building authorities with respect to certain requirements in the Ontario Building Code. This will be in addition to similar negotiations concerning other life safety aspects of the building as the code does not generally anticipate structures of this size and type.

One of the major advantages of this type of fabric roof is its translucency and the feeling of natural light within the space. While there are savings in lighting costs, the main advantage is the positive public response to the "outdoors" feeling of this space.

There are, as well, other emerging technologies which should be closely examined prior to a final decision of the type of roof to be used. The following is a partial list:

1. A tensile structure wherein cables and fabric (or panels) are hung from either a long span beam(s) (over the centre of the stadium) to the perimeter of the stadium or from cables and poles at the perimeter. The system is not reliant upon building pressurization and would be designed to take the required live and dead loads. It is possible to have a retractable roof, although this could add considerably to the capital cost. An example of this type of roof is the ± 120m (400ft.) diameter Lindsey Park Aquatic Centre in Calgary, and preliminary information indicates that San Francisco and Buffalo are considering this roof at the concept design stage for their new stadia.

2. A system which has been actively marketed in Toronto by Atlas Steels is a stainless steel roof such as that on the +5900 s.m. sports centre at Dalhousie University, Halifax. Such a roof would be either supported by building pressurization or by pressurization between a double membrane. This first example is similar in concept to the fabric and cable systems while the second is unique, and would require a substantially higher exterior wall at the perimeter of the stadium due to the fact that the lowest part of the roof would be at the centre of the playing field. The roof would not be translucent and problems could exist during baseball games with the visual contrast between proposed translucent or transparent side walls and an opaque roof. The stainless steel roof has the advantages of being permanent, maintenance free, and an all-Canadian product. It is relatively easy to attach lights, speakers, etc. to the underside of the roof. While it is anticipated that the pressurized double membrane would be more expensive, the main advantages are that it eliminates revolving doors and air locks at the building perimeter, allows thermal insulation to be placed on top of the lower membrane, reduces air loss and, therefore, mechanical equipment and mechanical snow melting systems are not required.

3. The third concept is a Triodetic structure, which is a Canadian developed space frame in steel or aluminuim with translucent panels mounted on the exterior face. Theoretical design data exist for a +700 ft. diameter roof although the largest structure in Canada to date is under 300 ft. in diameter. While this type of structure would be constructed to withstand all anticipated live loads and would not require building pressurization, it would have a multitude of joints (potential weak areas in the building skin).

4. Another potential roofing system is a wood structure similar to the completed University of Arizona stadium in FLagstaff, completed in 1977 with a 502 ft (153m) span, and the recently opened Tacoma Dome with a 530 ft (161.5 m.) diameter. Flagstaff has a 40 psf (195.3 kg/sq.m.) snow load compared to Toronto's 38 psf (185.5 kg/sq m.) snow load. This type of roof offers excellent thermal insulation qualities and is projected to be capable of 1000 ft (304.8 m.) spans.

5. A fabric roof that is supported by enclosures of helium at roof level is another possible alternative which has been promoted by Aerostat Corporation of Montreal. This concept has been received with considerable interest by the National Research Council in Ottawa. Its primary advantage is that it does not require overall building pressurization to maintain its structural stability.

STUDY OF COST VARIABLES FOR A TWO-STOREY EXHIBITION HALL BUILDING RELATIVE TO A SINGLE-STOREY BUILDING

Introduction

In order that a responsible decision can be made on whether to proceed with a single-storey project or with a two-storey project, Hanscomb Consultants Inc. was retained to undertake this study of the relative costs for each facility.

Assumptions

The following assuptions have formed the basis of this study:

- Four exhibition halls of 100,000 sq.ft. each, set into a linear mode for the single storey and stacked in groups of two for the two-storey scheme.
- The two-storey scheme requires an elevated truck bay outside the building with a ramp to grade.
- Reasonable average unit costs for this type of project have been assumed for those items priced out and reflect current tender costs (i.e., October, 1982, dollars).

Method

Based on the above simplified design assumptions, Hanscomb proceeded to examine every element and ascertain whether or not any aspect of that element would be affected by the design change. It then measured the quantities of changed items only and applied the cost factors outlined above. The results have been tabulated in the accompanying sheets.

Comments

As will be noted from the backup sheets, there is a premium of over $2,000,000 for a two-storey structure over the one-storey option which is approximately. This premium could be in the order of 5% of the total building cost.

Two-Storey Option (vs. Single-Storey Option)

Section/Component	No Change	Extra	Credit	Comments
1. SUBSTRUCTURE				
a) Normal foundations		-	58,000	Reduced perimeter foundations
		-	5,000	Reduced dewatering
		32,000	-	Add elevator pits etc.
b) Basement excavations	X	-	-	
c) Special conditions		-	20,000	Reduce number of caissons but increase capacity
2. STRUCTURE				
a) Lowest floor construction		-	600,000	Deduct slab-on-grade
b) Upper floor construction		2,600,000	-	Add second floor structure
c) Roof construction		-	1,800,000	Deduct roof structure
3. EXTERIOR CLADDING				
a) Roof finish		-	800,000	Deduct roof finish
b) Walls below ground floor	X	-	-	
c) Walls above ground floor		500,000	-	Add exterior walls ($20)
d) Exterior doors and screens	X	-	-	
e) Windows	X	-	-	
f) Balconies and projections		-	-	Add truck ramp (1/10 slope)
		1,146,000	-	$25/sq.ft. x docks 480 x 70 ramp 350 x 35
4. INTERIOR PARTITIONS				
a) Permanent partitions		110,000	-	Add stair well walls & deduct one
		-	50,000	permanent wall
b) Doors		16,000	-	Add doors to stairs
		4,404,000	3,333,000	

			4,404,000	3,333,000	
5.	VERTICAL MOVEMENT				
a)	Stairs		120,000	-	Add fire escape stairs
b)	Elevators and escalators		150,000	-	Add passenger elevators (2 no.)
			200,000	-	Add freight elevators (2 no.)(10'x10')
			750,000	-	Add escalators (4 no.)
6.	INTERIOR FINISHES				
a)	Floor finishes	X	-	-	
b)	Ceiling finishes	X	-	-	
c)	Wall finishes		60,000	-	All finishes to additional walls ($1/sq.ft.)
7.	FITTINGS AND EQUIPMENT				
a)	Fittings and fixtures	X			
b)	Equipment	X			
8.	(A) ELECTRICAL				
a)	Service and distribution		15,000	-	Add elevators to emergency power
			-	60,000	Shorter run of distribution feeders
b)	Lighting and power		32,000	-	Add stairwell lighting
			20,000	-	Add ramp lighting
			74,000	-	Add snow melting to ramp
c)	Systems				
	- Fire alarm		-	5,000	Shorter runs
	- Telephone (conduit)		-	50,000	Shorter runs
	- Communications (conduit)		-	5,000	Shorter runs
	- Security (conduit)		-	5,000	Shorter runs
8.	(B) Mechanical				
a)	Plumbing and drainage		-	13,000	Reduced underfloor distribution (cold water)
			-	140,000	Reduced underfloor distribution (sanitary)
			-	100,000	Reduced roof drainage
b)	Fire Protection	X	-	-	
c)	HVAC		20,000	-	Add main ducts through second floor (distr.)
			8,000	-	Add main ducts through second floor (exhau.)
			10,000	-	Stair pressurization
	Total		5,863,000	3,711,000	
	Net Variation		2,152,000		

9.	**OVERHEADS & PROFIT**		285,000		
10.	**SITE DEVELOPMENT**				
a)	General	X	-	-	Assumed no change for this study (actual conditions not known)
b)	M & E	X	-	-	
c)	Alteratins	X	-	-	
d)	Demolition	X	-	-	
	Total Net Variation		2,152,000	-	

CONSTRUCTION COST ANALYSIS

Demolition

			January, 1983 Canadian $
1) West of Food Building 1984 (3 mo)			
Misc. Buildings	140,000 sf	2.00	280,000
Incl. Professional Fees			300,000
2) Stadium - North Stands 1986 (6 mo.)			
Seating Area ± 120,000 s.f.			
Canopy ± 100,000 s.f.			
Slab on Grade ± 120,000 s.f.			
Upper Floor ± 120,000 s.f.			
± 75' high	360,000 sf	4.50	1,620,000
Including Professional Fees			1,740,000
3) Stadium - South Stands 1984 (3 mo.) (East Portion)			
Seating 160x160 - 25,600 sf.			
Total Floor & Storage Area x 3	76,800 sf	3.00	230,000
Including Professional Fees			250,000
4) Stadium - South Stands 1986 (6 mo.) (Remainder)			
Seating ± 160,000 s.f.			
Total floor & storage area x 3	480,000 sf	3.00	1,440,000
Including Professional Fees			1,560,000
5) Remove Midway 1984 (3 mo.)			
Buildings & Rides 200x400 - 320,000			
400x300 - 120,000	440,000 sf	2.00	880,000
Including Professional Fees			950,000

Renovation

1) Industrial Building 1990 (12 mo.)

Update M & E	6.00			
Redecorate	3.00			
Replace glazing & install new blinds 13,000 sf @ (1+15+4)	2.00			
Reroof incl.4" insul.	3.00			
	14.00			
O.H. + Profit (10%)	15.40			
Contingency (10%)	16.94			
Total		151,000 sf	17.00	2,550,000
Including Professional Fees				2,800,000

2) Coliseum 1990 (8 mo.)

Rework Front Facade and Lobby (300,000)	2.00			
Update M & E	4.00			
Redecorate	2.50			
Reroof incl. 4" insul.	3.00			
	11.50			
O.H. + Profit (10%)	12.65			
Contingency (10%)	13.92			
Total		165,000 sf	14.00	2,310,000
Including Professional Fees				2,500,000

3) East Annex 1990 (12 mo.)

Update M & E	8.00			
Remove 2nd Floor & Leave Beams 40,000 sf @ 3.50	1.50			
Redecorate including 15,000 sf Mgt. & Office area	4.50			
Reroof incl. 4" insul.	3.00			
	17.00			
O.H. + Profit (10%)	18.70			
Contingency (10%)	20.57			
Total		100,000 sf	20.50	2,050,000
Including Professional Fees				2,200,000

4) West Annex 1990 (8 mo.)

Update M & E	7.00			
Modify Mezz. & Stairs	1.50			
Redecorate	3.00			
Link to Horse Palace at 2nd Floor - 40 x 20 sf @ 60.	.50			
Reroof	3.00			
	15.00			
O.H. + Profit (10%)	16.50			
Contingency (10%)	18.15			
Total		98,000 sf	18.00	1,764,000
Including Professional Fees				1,900,000

5) South Extension 1990 (2 mo.)

Minimal alteration for storage		93,000 sf	4.00	372,000
Including Professional Fees				400,000

6) North Extension 1990 (12 mo)

Update M & E	7.00			
Redecorate	4.50			
Reroof	3.00			
	14.50			
O.H. + Profit (10%)	15.95			
Contingency (10%)	17.54			
Total		83,000 sf	17.50	1,452,500
Including Professional Fees				1,600,000

7) Better Living Centre 1984 (12 mo)

Update M & E	20.00			
Redecorate	3.00			
Remove Court	2.50			
Loading Docks & Entrances	3.00			
	28.50			
O.H. + Profit (10%)	31.35			
Contingency (10%)	34.48			
Total		200,000 sf	34.50	6,900,000
Including Professional Fees				7,600,000

8) Queen Elizabeth Building 1984 (6 mo)

New & updated seating, carpets, interior decoration, sound system, lighting, partitioning, etc. for main theatre & upper level meeting rooms

Total Estimate	16.50			
O.H. + Profit (10%)	18.15			
Contingency (10%)	19.97			
Total		36,000 sf	20.00	720,000
Including Professional Fees				800,000

New Construction

1) Exhibition Hall Complex 1987-1989

a) Exhibition Hall
(600,000 s.f.)

Foundations	1,320,000	
Structural	8,230,000	
Cladding	4,710,000	
Partitions	1,580,000	
Vertical Transportation	1,240,000	
Finishes	1,180,000	
Ftgs. & Eqpt.	590,000	
Mechanical & Electrical	20,600,000	
Total	39,450,000	
O.H. + Profit (10%)	43,450,000	
Contingency (10%)	47,800,000	
Say $80.00		48,000,000
Including Professional Fees		51,400,000

b) Garage
(Parking 620,000 s.f.)

Foundations	2,070,000	
Structural	7,100,000	
Cladding	1,230,000	
Partitions	130,000	
Vertical Transportation	160,000	
Finishes	300,000	
Ftgs. & Eqpt.	100,000	
Mechanical & Electrical	2,330,000	
Total	13,420,000	
O.H. + Profit (10%)	14,760,000	
Contingency (10%)	16,240,000	
Say $26.00/s.f.		16,120,000
Including Professional Fees		17,300,000

c) Lobby (200,000 s.f.)

Foundations	910,000	
Structural	3,460,000	
Cladding	7,050,000	
Partitions	350,000	
Vertical Transportation	1,000,000	
Finishes	1,020,000	
Ftgs. & Eqpt.	320,000	
Mechanical & Electrical	3,430,000	
Total	17,540,000	
O.H. + Profit (10%)	19,300,000	
Contingency (10%)	21,230,000	
Say $105/s.f.		21,000,000
Including Professional Fees		22,500,000

d) Service Area (110,000 s.f.)

Foundations	830,000	
Structural	2,860,000	
Cladding	490,000	
Partitions	50,000	
Vertical Transportation	60,000	
Finishes	130,000	
Ftgs. & Eqpt.	40,000	
Mechanical & Electrical	940,000	
Total	5,400,000	
O.H. + Profit (10%)	5,940,000	
Contingency (10%)	6,530,000	
Say $60.00/s.f.		6,600,000
Including Professional Fees		7,200,000

Total Exhibition Complex Cost

Exhibition Hall	51,400,000
Garage	17,300,000
Lobby	22,500,000
Service	7,200,000
TOTAL	98,400,000

2. Link Between Better Living Centre and Queen Elizabeth Building 1984-1985 (40,000 s.f.)

Foundations	200,000	
Structural	640,000	
Cladding	720,000	
Partitions	30,000	
Vertical Transportation	200,000	
Finishes	220,000	
Ftgs. & Eqpt.	110,000	
Mechanical & Electrical	680,000	
Total	2,800,000	
O.H. + Profit (10%)	3,080,000	
Contingency (10%)	3,390,000	
Say $85.00/s.f.		3,400,000
Including Professional Fees		3,600,000

3. Link Between Main Exhibition Hall and Queen Elizabeth Building and Expansion of Queen Elizabeth Building 1988-1989 (8,000 s.f.)

Say $115.00/s.f.	920,000
Including Professional Fees	1,000,000

4. Stadium 1984-1986

Vancouver:		
Construction Start	Mar. '81	
Cost	111,000,000	
Cost per seat	$1,850	
Toronto:		
Vancouver/Toronto Construction Factor (1.10)	$1,680/seat	
Escalcation (1.20)	$2,016/seat	
Total	65,000 seats x $2,016	$131,000,000
Including Professional Fees		140,000,000

5. Parking Structure (West of Food Bldg.) 1984-1985

2600 x $5,750	14,950,000
Including Professional Fees	16,000,000

6. Link to Coliseum & Streetcar Station 1985-1986

Link to Coliseum 2800 x $120	336,000
T.T.C. Station Link & Covering 28,000 sf. x $25	500,000
Total	836,000
Including Professional Fees	900,000

7. Site Works - Component One 1984-1985

Reconstruct Manitoba Drive	1,200,000
Landscaping (B.L.C. & Q.E.B.)	200,000
North East Parking (1000 cars)	700,000
Landscaping (N.E. Parking)	300,000
Mechanical/Electrical Site Services	400,000
Total	2,800,000
Including Professional Fees	3,000,000

8. Site Works - Component Two 1985-1986

Quebec Street & Saskatchewan Road Improvements	200,000
Entry Road to Exhibition Hall	1,200,000
Prince's Blvd. Improvements	100,000
Relief Road	200,000
Stadium Landscaping	800,000
North Parking Landscaping	100,000
Mechanical/Electrical Site Services	600,000
Total	3,200,000
Including Professional Fees	3,400,000

9. Site Works - Component Three 1989

Entry Road to Exhibition Hall	700,000
Landscaping (Exhibition Hall)	500,000
Mechanical/Electrical Site Services	500,000
Total	1,700,000
Including Professional Fees	1,800,000

10. Site Works - Component Four 1990

Landscaping (Coliseum Complex)	200,000
Mechanical/Electrical Site Services	80,000
Total	280,000
Including Professional Fees	300,000

ALTERNATE LOCATIONS FOR NEW STADIUM/EXHIBITION FACILITIES

The following analyzes five alternative sites for the construction of new stadium and exhibition facilities at Exhibition Place (all as shown on Exhibit 1) with the implications of each.

Alternate 1

Stadium located in north-east corner and new exhibition facilities south of existing Coliseum/Hourse Palace buildings:

a) This site would necessitate the demolition of the North-South Extensions and the Industry Building.

b) Service access to the portion of the exhibition facilities south of the Horse Palace and Coliseum Complex would be difficult and inappropriately located.

c) The new exhibition facilities would be difficult to integrate with the upper and lower exhibition areas of the stadium.

d) Major new public transportation improvements for the stadium would be distant from Ontario Place and the rest of Exhibition Place.

e) This arrangement demonstrates a lack of respect for the historical scale of the existing buildings and their facades.

f) The Better Living Centre and Queen Elizabeth Building which are the best existing exhibition buildings are remote from the area of new development.

Alternate 2

Stadium at site of Better Living Centre and Queen Elizabeth Building with first phase of exhibition facilities located south of the existing Coliseum Complex/Horse Palace buildings and the second phase on the existing stadium site.

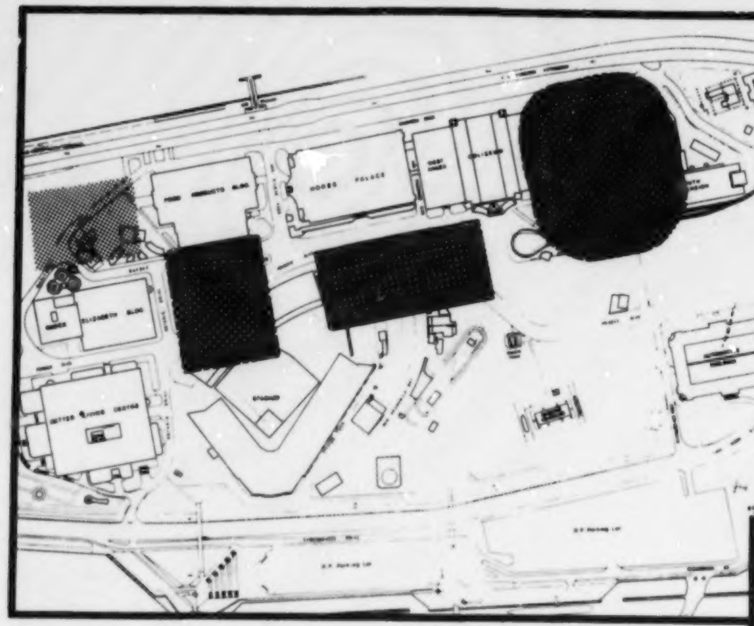
a) This site would necessitate the demolition of the Queen Elizabeth Building and the Better Living Centre, which are the best exhibition buildings now on the site.

b) The distance between the existing east exhibition halls and the new stadium would be excessive for a cross use of facilities.

c) The scale of new stadium would be incompatible with the existing west historical buildings and park setting.

EXHIBITION PLACE
Toronto Ontario

Trade Fair / Sports Complex : Feasibility Study



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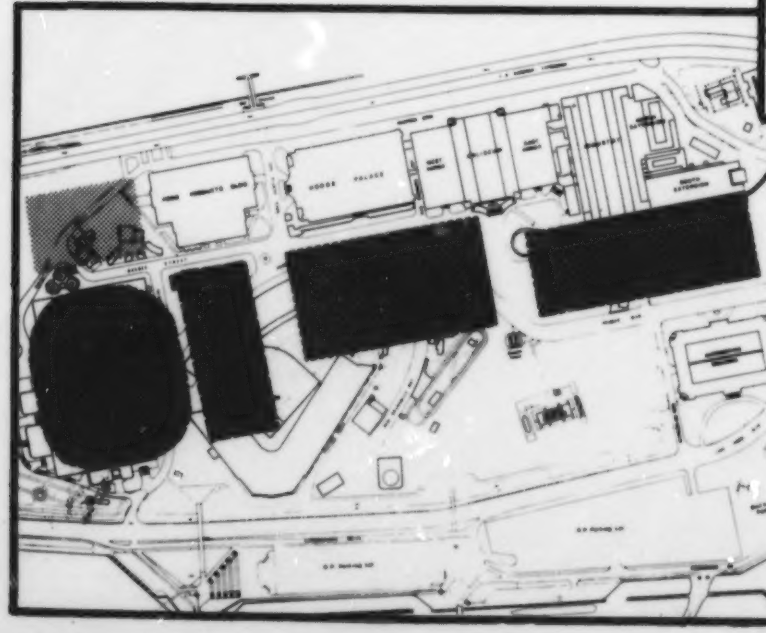

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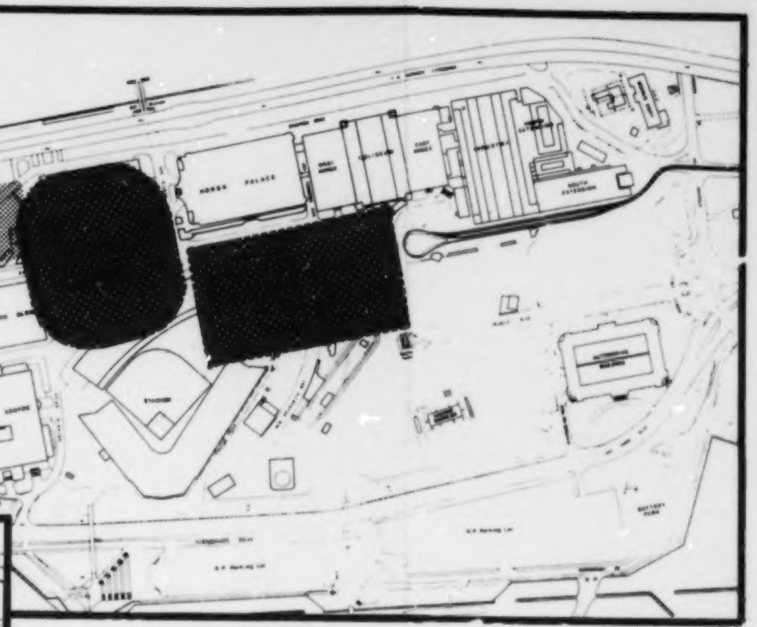

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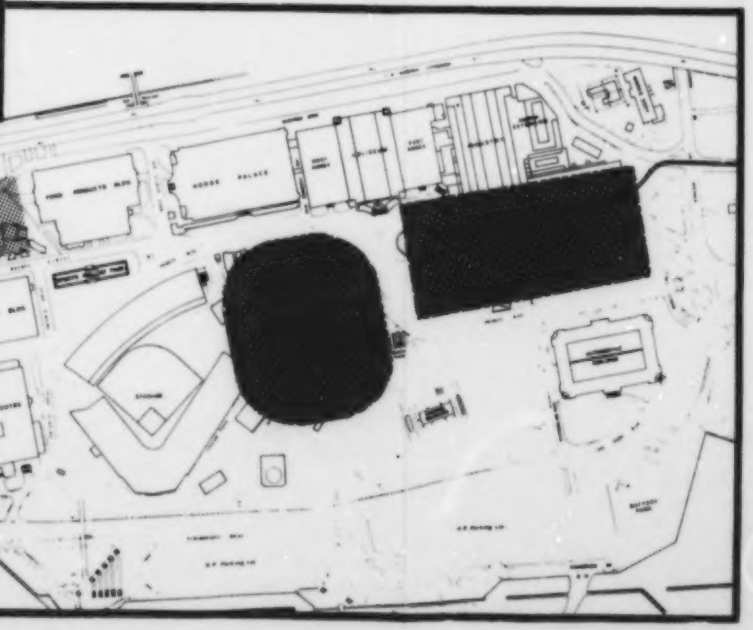

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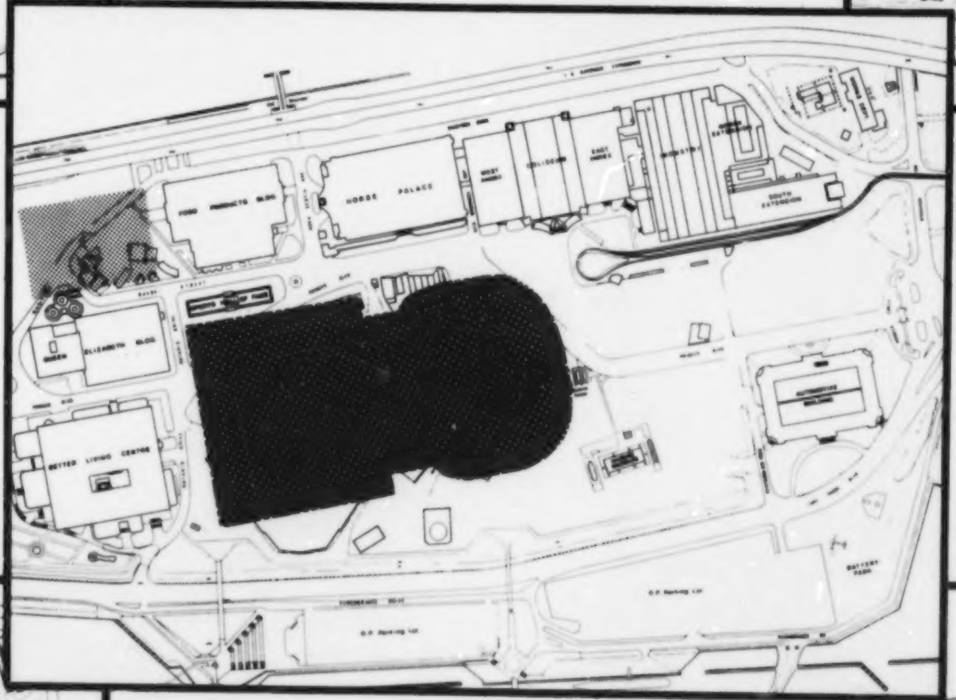
FOOD PRODUCTS BLDG
HORSE PALACE
WEST ANNEX
COLISEUM
EAST ANNEX
INDUSTRY
SOUTH EXTENSION
QUEEN ELIZABETH BLDG
BETTER LIVING CENTRE
AUTOMOTIVE BUILDING
BATTERY PARK
O.P. Parking Lot
O.P. Parking Lot

5

arcop · thom
architects planners

Currie, Coopers & Lybrand
Management Consultants

Heery Fabrap
architects engineers planners

NEW STADIUM EXHIBITION FACILITIES

ALTERNATE LOCATIONS

EXHIBIT 2

Alternate 3

Stadium in north-central location and new exhibition facilities located south of existing Coliseum/Horse Palace buildings.

a) This site would necessitate the demolition of the Queen Elizabeth Building, the Food Building and the Sports Hall of Fame.

b) New exhibition facilities would be poorly integrated with the exhibition areas of the stadium.

c) The traditional east-west vehicular and pedestrian circulation through Quebec Street and Princes' Blvd. would be blocked.

d) New public transportation improvements, if close to the stadium, would be remote from Ontario Place.

Alternate 4

Stadium in east-central location and exhibition structure located south of the existing Coliseum/Industry Building.

a) Partial and total demolition of the Industry Building and North and South Extensions would be required to accommodate a service area.

b) There would be an uneven distribution of the green space throughout the Exhibition Place site.

c) The buildings on the site would be tightly fitted into a cluster.

d) Public access to the remaining Industry Building would be hidden and complicated, and would create a dead end space.

e) The stadium exhibition concourses would be only partially integrated with the rest of the exhibition facilities. Public points of entry to smaller exhibitions would be spread out, requiring several widely separated lobbies.

f) This alternative allows the existing stadium to be retained in whole or in part in the event that it can be of use as an outdoor amphitheatre, etc.

g) This alternative would cause a congestion of structures on the east side and unbalance site.

h) This arrangement demonstrates a lack of respect for the historical scale of all the existing exhibition buildings.

Alternate 5

Stadium in east-central location with new exhibition facilities adjacent to the west, replacing the existing stadium.

a) With this alternative, a maximum number of existing buildings can be retained.

b) There is good potential for integration of stadium/exhibition functions.

c) There is the potential for sharing many common facilities (i.e., parking, taxi and bus areas, public transit, lobbies, etc.).

d) There is potential for good public vehicular access from Lakeshore Blvd.

e) The proximity of the new facilities to Ontario Place would allow for sharing the proposed public transit system station.

f) The balance between the open park space at the east and west ends of the site would be retained.

g) Provision of vistas and approaches to the large volume of the new development would be provided and a central focal point for the whole of Exhibition Place would be created.

h) The proposed new complex would be remote from the service route of Manitoba Drive. This would have to be overcome by a grade-separated trucking sytem.

i) The proximity to 260,000 sq. ft. (24,154 m^2) of good exhibition space in the Queen Elizabeth Building and the Better Living Centre would allow for the creation of 1,060,000 sq. ft. (98,474 m^2) of first class exhibition space in one combined location.

Based on this analysis and extensive discussion with Metro Planning Staff and the Steering Committee, it is recommended that the last described alternative, with the new exhibition hall located on the site of the existing stadium and with the new stadium immediately adjacent to the east, be considered as the most appropriate of the five alternatives studied.

PRIMARY BASIS AND CATEGORIES FOR PROJECTED OPERATING RESULTS

The projected operating revenues and expenses have been divided into seven categories. A brief description of each category and the primary basis for the projections follows.

Exhibition Area - Existing Facilities - For purposes of this financial analysis, existing facilities are defined as all facilities before and after renovation except for the Better Living Centre, Queen Elizabeth Building, and the proposed 600,000 square foot exhibition hall. Renovations to the Industry Building, the North and South Extensions, and the Coliseum are considered necessary to keep these facilities in a condition sufficient to attract events at base rates. Renovations to the Better Living Centre and the Queen Elizabeth Building, however, are considered to be extensive enough to warrant rental rates 40 percent greater than the base rates and are reflected in this analysis as New Facilities. Exhibit 12 in the Market Analysis chapter of this report serves as the basis for the availability of buildings over the projection period. The primary basis for estimating revenues and expenses is the Canadian National Exhibition Association's 1983 budget as allocated between CNE and non-CNE activities (see Appendix XV).

Exhibition Area - New Facilities - New facilities, as defined in this financial analysis, include: a) the renovated Better Living Centre, b) the renovated Queen Elizabeth Building, and c) the 600,000 square foot exhibition hall. Because of the quality of this space, it is estimated that rental rates will be 40 percent greater than rates of the other exhibition facilities. The basis for operating projections of this category is the most recent budget of McCormick Place in Chicago, Illinois (a copy of which is included in Appendix XIV). This facility is similar to Exhibition Place and approximates industry operating standards; consequently, it serves as a reasonable basis for the projection. This basis was selected after reviewing the operations and budgets of a number of existing facilities.

Stadium Operations - Operating revenues and expenses of the existing Exhibition Stadium are projected for the years 1984 through 1986, based on historic budgets. For the years 1987 through 1994, operations of a 65,000 seat covered, multi-use sports facility are projected on the basis of the 1983 Exhibition Stadium budget and operating results of similar facilities in other cities. Appendix XVI is a summary of the most recent operating results of the following facilities:

- Seattle Kingdome
- Detroit Silverdome
- New Orleans Superdome
- Minneapolis Metrodome (amounts shown are estimated first year operating results)

[illegible]

[illegible]

[illegible]

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Parking - This includes non-CNE parking for both exhibition and stadium events. Available parking during the projection period was estimated on the basis of the construction program. Estimated revenues and expenses were based on the 1983 CNEA budget.

Canadian National Exhibition (CNE) - For purposes of this projection, revenues and expenses relating to the CNE are shown as single line items. All other operating categories reflect non-CNE activity only. The allocation of expenses between CNE and non-CNE activity was prepared by CNE staff and is documented in Appendix XV. Estimated revenues and expenses were based on the 1983 CNEA budget.

Hotel, Trade-Mart Operations - This projection reflects the expectation that a 300-room hotel and 200,000 square foot trade mart will be constructed, financed, and operated by private interests. The trade mart will be located in the Automotive Building after renovation. The operations of these facilities will result in a net income stream to Exhibition Place, commencing in 1991. The basis for these projected income streams is discussed in the chapter on the market analysis of exhibition space.

PROJECTED OPERATING RESULTS AND SUMMARY OF SIGNIFICANT PROJECTIONS NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATION

Appendix XII includes statements of projected cash flow from all sources in current dollars, statements of projected cash flow from all sources in 1983 constant dollars, and statements of projected net operating gains and losses in current dollars. The projected operating results are divided into the following categories.

Exhibition Area -Existing Facilities

Exhibition Area - New Facilities

Stadium Operations

Parking

Canadian National Exhibition (CNE)

Hotel Operations

Trade Mart Operations

Explanations of each category are found in Appendix XI.

EXHIBITION PLACE
PROJECTED NET OPERATING GAINS AND (LOSSES)
FOR THE YEARS ENDING DECEMBER 31, 1984 THROUGH 1994
(in 000's Current $)

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
A. Exhibition Area - Existing Facilities											
Revenues:											
Exhibition Hall Revenues	$ 2,023	$ 1,858	$2,272	$ 2,697	$ 3,180	$ 3,483	$ 983	$ 2,507	$ 2,874	$ 3,046	$ 3,229
Reimbursement - Services to Tenants	2,588	2,592	3,459	4,301	5,218	5,772	1,629	4,155	4,763	5,048	5,351
Catering	327	328	437	544	660	730	206	525	602	639	677
Total Operating Revenues	4,938	4,778	6,168	7,542	9,058	9,985	2,818	7,187	8,239	8,733	9,257
Expenses:											
Salaries, Wages & Other Benefits	2,859	2,384	2,596	2,857	3,171	3,408	913	2,238	2,502	2,652	2,811
Materials, Maintenance & Contract Services	2,892	2,415	2,684	3,035	3,473	3,767	1,063	2,711	3,108	3,294	3,492
Utilities	1,346	1,298	1,389	1,486	1,590	1,713	481	1,347	1,442	1,543	1,651
Other Operating Expenses	137	153	191	229	233	236	105	152	155	159	164
Total Operating Expenses	7,234	6,250	6,860	7,607	8,467	9,124	2,562	6,448	7,207	7,648	8,118
Net Operating Gain (Loss)	$(2,296)	$(1,472)	$ (692)	$ (65)	$ 591	$ 861	$ 256	$ 739	$ 1,032	$ 1,085	$ 1,139
B. Exhibition Area - New Facilities											
Revenues:											
Exhibition Hall Revenues	280	1,115	1,363	1,619	1,908	2,089	7,224	7,126	8,168	8,658	9,178
Reimbursement - Services to Tenants	256	1,111	1,482	1,843	2,236	2,474	8,552	8,435	9,669	10,250	10,865
Catering	32	140	188	233	283	313	1,082	1,067	1,224	1,296	1,374
Total Operating Revenues	568	2,366	3,033	3,695	4,427	4,876	16,858	16,628	19,061	20,204	21,417
Expenses:											
Salaries, Wages & Other Benefits	282	1,104	1,316	1,528	1,761	1,917	6,373	5,102	6,865	7,277	7,714
Materials, Maintenance & Contract Services	211	904	1,153	1,401	1,675	1,843	6,475	6,537	7,459	7,903	8,373
Utilities	96	399	427	457	489	527	1,813	1,964	2,101	2,249	2,406
Other Operating Expenses	14	67	88	109	116	121	367	322	345	355	366
	603	2,474	2,984	3,495	4,041	4,408	15,028	14,925	16,770	17,784	18,859
Net Operating Gain (Loss)	$ (35)	$ (108)	$ 49	$ 200	$ 386	$ 468	$ 1,830	$ 1,703	$ 2,291	$ 2,420	$ 2,558

The accompanying Summary of Notes and Assumptions is an integral part of the Statements of Projected Net Operating Gains and (Losses).

EXHIBITION PLACE
PROJECTED NET OPERATING GAINS AND (LOSSES)
FOR THE YEARS ENDING DECEMBER 31, 1984 THROUGH 1994
(in 000's Current $)
(Continued)

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
C. Stadium Operations											
Revenues:											
Stadium Rentals	$ 1,152	$ 1,191	$1,245	$ 2,318	$ 2,465	$ 2,540	$ 2,651	$ 2,752	$ 2,876	$ 3,002	$ 3,144
User Fees	495	496	497	2,436	2,633	2,753	2,872	2,982	3,116	3,254	3,406
Concessions	744	748	810	1,098	1,180	1,219	1,272	1,320	1,380	1,441	1,508
Reimbursement - Services to Tenants	877	928	986	1,959	2,088	2,227	2,374	2,532	2,700	2,879	3,070
VIP Boxes	406	428	454	480	814	1,025	2,540	2,693	2,854	3,025	3,207
Stadium Club				189	200	212	225	238	252	267	283
Other Operating Revenues	277	292	310	1,004	1,164	1,234	1,309	1,387	1,472	1,560	1,653
Total Operating Revenues	3,951	4,083	4,302	9,484	10,544	11,210	13,243	13,904	14,650	15,428	16,271
Expenses:											
Salaries, Wages & Other Benefits	1,557	1,643	1,741	1,845	1,956	2,073	2,198	2,329	2,469	2,617	2,774
Materials, Maintenance & Contract Services	788	831	881	934	990	1,050	1,113	1,179	1,250	1,325	1,405
Utilities	433	461	493	2,050	2,193	2,346	2,511	2,688	2,875	3,077	3,292
Other Operating Expenses											
Total Operating Expenses	2,778	2,935	3,115	4,829	5,139	5,469	5,822	6,196	6,594	7,019	7,471
Net Operating Gain (Loss)	$ 1,173	$ 1,148	$1,187	$ 4,655	$ 5,405	$ 5,741	$ 7,421	$ 7,708	$ 8,056	$ 8,409	$ 8,800
D. Parking											
Parking Revenues	$ 695	1,490	2,380	2,523	2,753	3,971	4,582	4,857	5,589	5,925	6,280
Parking Expenses	317	485	673	714	772	1,028	1,163	1,233	1,395	1,479	1,567
Net Operating Gain (Loss)	$ 378	$ 1,005	$1,707	$ 1,809	$ 1,981	$ 2,943	$ 3,419	$ 3,624	$ 4,194	$ 4,446	$ 4,713
E. Canadian National Exposition (CNE)											
Operating Revenues	15,026	18,663	19,783	20,970	22,228	23,720	28,863	38,837	41,167	43,637	46,255
Operating Expenses	11,992	14,669	15,549	16,482	17,471	18,631	22,393	29,619	31,396	33,280	35,277
Net Operating Gain (Loss)	$ 3,034	$ 3,994	$ 4,234	$ 4,488	$ 4,757	$ 5,089	$ 6,470	$ 9,218	$ 9,771	$10,357	$10,978
F. Hotel Operations											
Net Operating Revenue								$ 1,135	$ 1,304	$ 1,485	$ 1,574
G. Trade-Mart Operations											
Net Operating Revenue								$ 314	$ 366	$ 441	$ 468

The accompanying Summary of Notes and Assumptions is an integral part of the Statements of Projected Net Operating Gains and (Losses).

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

NOTES AND ASSUMPTIONS RELATING TO EXISTING AND NEW EXHIBITION FACILITIES

1. Revenue From Space Rentals

Projected revenue from space rental for both existing and new facilities has been based on the revenue generated per available square foot as estimated in the 1983 CNEA budget, together with the projected available square footage per year adjusted for usage, size of shows, and seasonality. Future revenue per available square foot during the projection period is estimated to increase by the estimated price indices in Appendix XIII. The 1983 base year calculation is as follows:

Projected building rentals $1,895,700/ = $2.75/sq.foot

Total available square footage 690,000

The market study indicated that Exhibition Place will be able to increase its base rates for the existing facilities over a period of six years in order to charge rates comparable to competing facilities, as current rates are significantly lower than market averages.

	1984	1985	1986	1987	1988	1989
Base Price Increase	10%	10%	10%	5%	3%	1%

Once new or renovated facilities are in operation, the market analysis also suggested that rental per square foot of these facilities will command a base price 40% greater than existing facilities. This is based on the assumption that a significantly greater demand will exist for the new and renovated areas.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

The availability of space and the relative percentages of existing and new facilities rentals reflect: 1) timing of demolition, construction, and renovation; 2) the preference for new facilities over existing by potential tenants; and 3) limitations due to the seasonal demands for exhibition space.

The following table summarizes the calculation of base revenue per square foot from rental operations.

EXHIBITION PLACE
EXHIBITION FACILITIES - REVENUE PER SQUARE FOOT

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Base Revenue per Square Foot (Existing Facilities in 1983)	$2.75	$3.18	$3.69	$4.30	$4.79	$5.23	$5.60	$5.93	$6.28	$6.66	$ 7.06
Inflation Rate (see Appendix III)	5.0%	5.5%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Base Price Escalation	10%	10%	10%	5%	3%	1%	0%	0%	0%	0%	0%
Estimated Charge per Square Foot (Existing Facilities)	3.18	3.69	4.30	4.79	5.23	5.60	5.93	6.29	6.66	7.06	7.48
Percent Increase in Base Rate of New Facilities	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
Estimated Charge per Square Foot (New Facilities)	4.43	5.17	6.02	6.70	7.32	7.84	8.31	8.80	9.32	9.88	10.48
Weighting Factor:											
Existing Facilities	91%	70%	70%	70%	70%	70%	16%	33%	33%	33%	33%
New Facilities	9%	30%	30%	30%	30%	30%	84%	67%	67%	67%	67%
Weighted Average-Base: Revenue per Square Foot (Combined New and Existing Facilities)	$3.29	$4.13	$4.82	$5.36	$5.86	$6.27	$7.93	$7.97	$8.44	$8.95	$ 9.49

EXHIBITION PLACE
EXHIBITION FACILITIES - REVENUE PER SQUARE FOOT

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Base Revenue per Square Foot (Existing Facilities in 1983)	$2.75	$3.18	$3.69	$4.30	$4.79	$5.23	$5.60	$5.93	$6.28	$6.66	$ 7.06
Inflation Rate (see Appendix III)	5.0%	5.5%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Base Price Escalation	10%	10%	10%	5%	3%	1%	0%	0%	0%	0%	0%
Estimated Charge per Square Foot (Existing Facilities)	3.18	3.69	4.30	4.79	5.23	5.60	5.93	6.29	6.66	7.06	7.48
Percent Increase in Base Rate of New Facilities	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
Estimated Charge per Square Foot (New Facilities)	4.43	5.17	6.02	6.70	7.32	7.84	8.31	8.80	9.32	9.88	10.48
Weighting Factor:											
Existing Facilities	91%	70%	70%	70%	70%	70%	16%	33%	33%	33%	33%
New Facilities	9%	30%	30%	30%	30%	30%	84%	67%	67%	67%	67%
Weighted Average-Base: Revenue per Square Foot (Combined New and Existing Facilities)	$3.29	$4.13	$4.82	$5.36	$5.86	$6.27	$7.93	$7.97	$8.44	$8.95	$ 9.49

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

2. Revenues from Services to Tenants

This income represents revenues for set-up and take-down services as well as utility services provided to the tenant. The 1983 CNEA budget reflects income from this source to be $3.22 per square foot, calculated as follows:

Projected services income	$2,221,732/	= $3.22/sq. foot
Total available square footage	690,000	

Because current charges for these services are low compared to industry standards, it was concluded in the market study that the following increases in base charges can be instituted:

	1984	1985	1986	1987	1988	1989
Base Price Increase	20%	20%	20%	10%	6%	2%

It is assumed that revenues per square foot of new and existing facilities for these services will remain equal.

The forecast of the Consumer Price Index in Appendix XIII is used to reflect increases in the base rates due to inflation.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

3. Catering

Catering revenue is estimated to be $284,000 in 1983. This amount reflects the current practice of approximately 50% of all trade shows providing their own catering rather than having the CNE provide these services. CNE management intends to revise its agreement with these particular shows over a period of years. All new shows will include catering services as part of the lease agreement. Consequently, based on the market study findings, the following increases in base revenues are anticipated.:

	1984	1985	1986	1987	1988	1989
Base Revenue Increase	20%	20%	20%	10%	6%	2%

Per the 1983 budget, catering provided $0.41 of revenue per available square foot. The projection reflects increases in the base revenues due to inflation factors by utilizing the estimated Price Indices in Appendix XIII. The square foot rate will remain the same for both existing and new facilities.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES
AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

4. Salaries, Wages, and Benefits - Existing Facilities

Estimated non-CNE staffing during 1983 for Exhibition Place (excluding the stadium) is approximately 92 full-time equivalent persons. Total salaries, wages, and benefits per the 1983 budget is $2,960,000 which is approximately $32,200 per employee.

This total consists of the following components:

	Amount	Approximate Number of Full-Time Employees
Permanent staff	$1,314,000	38
Part-time/temporary staff	1,646,000	54
	$2,960,000	92

The projection reflects management's estimate that administration and permanent staff will increase by $35,000 per each additional 100,000 square feet of exhibition space available. The administration and permanent staff labor expense has been allocated between CNE and non-CNE activity in the projected operating statements, based on management's allocation of the 1983 budget between CNE and non-CNE activity (see Appendix XV). The allocation of non-CNE administration and permanent labor expense between existing and new facilities is based on relative available square footage.

The projection assumes that the number of part-time and temporary employees needed during the forecast period will fluctuate in a manner consistent with the square footage available. The 1983 figures above reflect .078 persons per 1,000 square feet (54 persons - 690,000 available square feet). This factor is applied to available square footage as per Exhibit 12 in the Market Analysis section of this report for each year presented. The cost per person is estimated to increase by the Consumer Price Index in Appendix XIII.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

5. Materials, Maintenance, and Contract Services - Existing Facilities

These costs are budgeted in 1983 to be $2,944,000, which is $4.27 per available square foot. The projection reflects increases in these costs due to inflation as depicted in Appendix XIII. This amount includes special appropriation expenditures which are capital expenses in nature, but generally less than $1,000,000. These items have historically been included in the CNEA operating budget. Per the 1983 CNEA budget, these costs are estimated to be $.94 per square foot.

6. Utilities - Existing Facilities

Utilities include electricity, natural gas, water, and sewage. Non-CNE utility expenditures are estimated to be $1,252,000 in 1983 (see Appendix XV), which results in a cost of $1.81 per square foot of space available. This rate per square foot available (adjusted for usage, size of shows, and seasonality) is estimated to increase at the estimated utilities inflation rates listed in Appendix XIII.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES
AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

7. Other Operating Expenses - Existing Facilities

This includes marketing and promotion, travel, memberships, and other operating expenses which are estimated to be $43,000 in 1983. Because management intends to substantially increase promotional efforts over the next several years, the following additional marketing expenditures are included in the projection:

Year	Additional Marketing Expenses	Percent Allocation to Existing Facilities	Allocation to Existing Facilities
1984	$100,000	100%	$100,000
1985	150,000	100	150,000
1986	200,000	75	150,000
1987 - 1990	250,000	75	187,500
1991	250,000	29	72,500
1992 - 1994	250,000	22	55,000

The projection reflects inflation increases in base costs as listed in Appendix XIII. The allocation between existing and new facilities is based on relative available square footage.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

8. Exhibition Area - New Facilities - Operating Expenses

The estimated operating expenses for newly constructed exhibition facilities were primarily based on 1983 projected operating results of McCormick Place in Chicago, Illinois, which approximates average industry operating results. The following schedule lists the operating expense categories and the percentages of operating revenue relationships of the 1983 McCormick Place budget:

Salaries and Wages	35%
Benefits	8%
Materials, Maintenance, and Contract Services	42%
Utilities	21%
Marketing and Promotion	0.5%
Other Expenses	0.5%
Total expenses as a percent of operating revenue	107%

The following paragraphs analyze the allocation of these expenses between fixed and variable costs as well as other bases for the projection.

Salaries, Wages, and Benefits - Total part-time and temporary labor expense is estimated to be 64% of total salaries and wages. Consequently, the projection reflects part-time and temporary labor expense to be 22% (35% x 64%) of operating revenues. Permanent staff expense estimates are discussed in Note 4.

Materials, Maintenance, and Contract Services - Eleven percent of these expenses are fixed costs in the fiscal year 1983 McCormick Place budget. Using this percentage results in fixed costs of approximately $24,000 in 1985, the first year of new facilities operations. During the period 1986 through 1994, the following amounts of fixed costs are projected, reflecting additional new facilities brought on line at various times during the period:

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES
AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

Year	Amount
1986	$ 26,000
1987	27,000
1988	29,000
1989	31,000
1990	209,000
1991	356,000
1992	374,000
1993	393,000
1994	412,000

Variable costs are reflected as 37% of operating revenues, calculated as follows:

Total fixed and variable materials, maintenance, and contract services expense as a percent of operating revenue	42%
Percentage of these expenses attributable to variable costs assuming 11% allocation to fixed costs (100% less 11%)	x 89%
	37%

Included in this estimate are leasing costs for additional furniture, security screens, banners, booths and carpets.

NOTES AND ASSUMPTIONS RELATING TO THE PROPOSED DOMED SPORTS FACILITY

9. Rental Revenue

Prior to 1987, the estimated first year of operation in the proposed domed stadium, management estimates attendance at major events to be as follows:

	1983	1984	1985	1986
Football	380,000	348,000	348,000	348,000
Baseball	1,300,000	1,400,000	1,400,000	1,400,000
Soccer	180,000	160,000	160,000	160,000
Concerts	40,000	40,000	40,000	40,000
Other events	25,000	30,000	35,000	40,000

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

These estimates are based on historical results and trends in attendance. The following table summarizes attendance at major events for the years 1979 through 1982:

	1979	1980	1981	1982
Football	366,000	399,000(1)	320,000	446,000(3)
Baseball	1,432,000	1,400,000	755,000(2)	1,276,000
Soccer	150,000	200,000	135,800	125,000
Concerts	150,000	70,000	None	102,000
Other events (Super Cross)	None	16,100	15,000	20,000

(1) Inclues the 1980 Grey Cup game.

(2) A major league baseball strike resulted in the cancellation of 24 home baseball games.

(3) Includes one playoff game and the 1982 Grey Cup game.

Estimated attendance for these events, once the new facility is completed in early 1987, is detailed in Exhibit 29 of the Market Analysis section of this report. The following table lists the estimated percentage increase in attendance for each major event in the first year of operation in the new facility as well as comparisons to last year's attendance in old facility.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

	Attendance Per Event		
	Last Year in Old Facilities	First Year in Domed Facilities	Percentage Increase
Exhibition Stadium, Toronto, Canada (1)	(1986)	(1987)	
Football	348,000	500,000	44%(2)
Baseball	1,400,000	1,495,000	7
Soccer	160,000	138,000	(14)(3)
Concerts	40,000	200,000	400 (4)
Other events	40,000	193,000	383 (4)
Silverdome, Pontiac, Michigan	(1974)	(1975)	
Football	49,940	78,308	57%
Baseball	(5)	(5)	
Soccer	(5)	(5)	
Metrodome, Minneapolis, Minnesota:	(1981)	(1982)	
Football	45,150	57,165	27%
Baseball	7,951	11,373	43%
Soccer	(6)	(6)	
Kingdome, Seattle, Washington:		(1976-1977)	
Football	(7)	60,174	
Baseball	(7)	17,612	
Soccer	(7)	23,828	

(1) Estimates based on projected attendance in 1986 and 1987.

(2) Estimated increase reflects the fact that current demand is not being met and a larger stadium would facilitate this unmet demand.

(3) Reflects initial sensitivity of soccer to increased ticket prices.

(4) Large increases due to plans to hold more events in the new facilities compared to current scheduling, primarily in winter months.

(5) Major league baseball and soccer are not played in the Silverdome.

(6) Major league soccer is not played in the Metrodome.

(7) Seattle did not have any major league professional sports franchise in the years immediately preceding completion of the Kingdome.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

Revenue per ticket estimates was based on existing contractual agreements and anticipated increases in ticket prices.

Management estimates ticket prices to increase at varying rates between 0% and 5% during the years 1984 through 1987. The listing below reflects anticipated gross ticket prices and revenue per ticket reverting to the Stadium Corporation.

	1984		1985		1986	
	Gross ticket price	Amount per ticket reverting to stadium	Gross ticket price	Amount per ticket reverting to stadium	Gross ticket price	Amount per ticket reverting to stadium
Football	$9.46	$1.23	$9.66	$1.28	$10.14	$ 1.34
Baseball	6.00	.30	6.13	.30	6.44	.32
Soccer	8.60	1.14	8.60	1.14	8.60	1.14
Concerts	14.25	1.90	15.00	2.00	15.75	2.10
Other Events	11.50	1.53	12.00	1.60	12.00	1.60

Management estimates the average ticket prices in 1987 to be as shown below. Amounts reverting to the stadium are based on the percentages of gross ticket prices obtained under current contracts.

	Gross ticket price(1)	Amount per ticket reverting to stadium(1)
Footbal	$11.72	$1.56
Baseball	7.44	.37
Soccer	9.46	1.25
Concerts	18.19	2.44
Other Events	12.60	1.68

(1) Amounts are exclusive of the 10 percent ticket surcharge.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

The following table lists the percentage increase in ticket prices in the first year of operations of the Exhibition Place domed stadium as well as ticket price increases in the first year of operation for cities which currently have domed stadiums. Percentage increases do not reflect any new stadium or municipal taxes imposed.

	Exhibition Stadium Toronto, Canada(1)	Silverdome Pontiac, Michigan	Metrodome Minneapolis, Minnesota	Kingdome Seattle, Washington
Football	15.6%	28.4%	13.7%	(4)
Baseball	15.5	(2)	11.3	(4)
Soccer	10.0	(2)	(3)	(4)

(1) As projected in this report.

(2) No major league baseball or soccer franchises use the Silverdome.

(3) Major league soccer is not played in the Metrodome.

(4) Seattle did not have any major league professional sports franchises prior to the opening of the Kingdome.

In addition, concert ticket prices are estimated to increase 15.5% and average ticket prices for all other events an estimated 5.0% in the first year of operation of the domed facility at Exhibition Place. No comparable figures are presented for these events due to the diversity in type and number of events between the different locations.

Average ticket prices and amounts per ticket reverting to the stadium for years subsequent to 1987 are estimated to increase by the CPI rates listed in Appendix XIII.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

Estimated attendance for these events for the years 1987 through 1995 is detailed in Exhibit 29 of the Market Analysis section of this report.

10. User Fees

Currently, a user fee of $0.25 is charged for all stadium event tickets which cost $2.00 or more. The projection assumes user fees will continue to average $0.25 per ticket sold for all events prior to operation of the proposed domed stadium starting in 1987. For the years 1987 through 1994, the market study indicates a $1.00 surcharge per ticket sold could be implemented. As an alternative, a surcharge of 10% on the face value of the ticket could also be implemented. The projections reflect the 10% surcharge. The sensitivity of the purchaser to the ticket price must be recognized. However, the charge appears within reasonable limits when the previous $0.25 charge and prices at other stadia are considered.

11. Concession Revenue

Management estimates concession revenue to the facility owner per ticket sold in 1984 to be as follows:

Football	$0.40
Baseball	0.33
Soccer	0.70
Concerts	0.37
Other Events	0.53

These estimates are based on historical results and trends in concession sales. The following table summarizes concession revenue per attendee at major stadium events during the years 1979 through 1982:

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

	1979	1980	1981	1982
Football	$.17	$.22	$.21	$.37(1)
Baseball	.10	.115	.12	.18(2)
Soccer	.235	.27	.27	.47(2)
Concerts	.635	.33	None	.515
Other Events	None	.46	.80	.80

(1) The large increase in 1982 was attributable to the fact that this was the first year beer sales were approved at major events.

(2) Does not reflect beer sales. The 1984 estimate does, however, reflect beer sales.

These amounts have been estimated to increase by the CPI rates listed in Appendix XIII.

It is probable that the provision of a greater variety of facilities with improved quality would significantly increase these revenue projections.

12. Reimbursement for Services to Tenants

Management's 1983 budget estimates reimbursement for services to tenants to be $831,000. This total is comprised of the following:

Utilities	$245,000
Labor	525,000
All Other	61,000
	$831,000

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

Reimbursement for services to tenants during the projection period have been reflected by the following percentages:

	Amount Reimbursed	Total Estimated Expense	Percent Recapture
Utilities	$245,000	$ 410,000	60%
Salaries and Wages	525,000	1,354,400	39%
All Other	61,000	(1)	(1)

(1) Estimated to increase by the CPI rates listed in Appendix XIII.

13. VIP Boxes

The 1983 budget estimates total revenue from the existing 14 private boxes to be $395,000 or approximately $28,000 per box. Rental charges are estimated to increase by the CPI rates listed in Appendix XIII.

The proposed domed stadium will provide 96 private boxes. Based on estimates of net revenues to be generated from private boxes at B.C. Place in Vancouver, the projected net revenue streams per occupied box are listed below. The following table also reflects the estimated occupancy levels reflected in the projections.

Year	Net Revenue Per Occupied VIP Box in Domed Stadium (current dollars)	Annual Occupancy Rate
1987	$10,000	50%
1988	10,600	80
1989	11,200	95
1990	27,000	98
1991	28,600	98
1992	30,300	98
1993	32,200	98
1994	34,100	98

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

14. Stadium Club

Current plans include construction of a 6,000 square foot Stadium Club within the facilities which will be operated by private concerns on a triple net lease basis. The projection reflects net revenues of $25 per square foot (in 1983 dollars) based on current lease rates of facilities similar in nature in the area. The lease rate is expected to increase by the estimated CPI rates listed in Appendix III.

15. Other Operating Revenues

This includes scoreboard advertising, tours, storage, and miscellaneous other revenues which are estimated to total $65,000 in 1983. These are expected to increase by the estimated CPI rates listed in Appendix III during the years 1984 through 1986. Based on recent contracts entered into by B.C. Place in Vancouver, additional advertising revenue in the domed stadium is projected to be generated as follows:

Year	Amount
1987	$1,005,000
1988	1,165,000
1989	1,235,000
1990	1,309,000
1991	1,388,000
1992	1,471,000
1993	1,559,000
1994	1,653,000

Realization of the above projections will require a change in the contractual arrangements for advertising in the present stadium.

16. Salaries and Wages

Estimated total staffing during 1983 for Exhibition Stadium is expected to be the equivalent of 60 full-time employees. Total salaries and wages per the 1983 budget is $1,354,400, which is $22,575 per employee.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

It is assumed for purposes of this forecast that any significant increase in personnel requirements as a result of operating a domed stadium will be passed on to the tenants. Consequently, the number of full-time equivalent employees does not change during the projection period. The cost per employee is assumed to increase by the estimated CPI rates listed in Appendix XIII.

Other employee benefits are estimated to be 9% of total salaries and wages. This is low compared to industry standards because the current accounting system includes employee benefits paid to part-time employees as part of the salaries and wages above.

17. Materials, Maintenance, and Contract Services

These costs are estimated to be $746,600 per the 1983 budget and are expected to increase by the estimated CPI rates listed in Appendix XIII. No significant increases in these costs are anticipated when the domed stadium begins operations in 1987. Additional costs include estimated leasing costs for concert sound systems, a computer for utilities monitoring, cherry picker, light cleaning equipment, and a telephone system.

18. Utilities

Utility expenses in 1983 are estimated to be as follows:

Electricity	$385,000
Water	15,500
Natural Gas	9,500
	$410,000

Prior to the operation of a new stadium in 1987, the forecast reflects utilities to increase by the forecasted inflation rates listed in Appendix XIII.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

Based on utility costs of the Silverdome in Detroit, Michigan, and the Metrodome in Minneapolis, Minnesota, utility expenses in the domed stadium are estimated to be $1,975,000 (Canadian) in 1987 and to increase at a 7.0% annual rate thereafter.

NOTES AND ASSUMPTIONS RELATING TO PARKING REVENUE AND EXPENSES

19. Parking Revenue

Parking revenue and expenses have been estimated by considering the following factors:

a) historical turnover rate per parking space available;

b) estimated revenue and expenses per car parked for 1983;

c) number of parking spaces available during the projection period; and

d) estimated inflation rate.

The 1983 CNEA budget was used as a basis for projecting parking revenues and expenses. The following table is a detailed summary of the projected parking revenues and expenses calculation.

NON-CNE PARKING
CALCULATION OF ESTIMATED REVENUES AND EXPENSES

I. Calculation of average turnover per space available:

	1979	1980	1981	1982
Number of cars parked(1)	675,000	700,000	615,000	730,000
Number of spaces available	5,850	5,850	5,850	5,850
Average use per space available	115	120	105	125

Anticipated turn per space in 1983(2) = 130

II. Average rates per turn estimated for 1983 by the CNEA:

Average revenue per car parked = $3.00 Average expense per car parked = $0.80

III. Projected parking revenue and expenses:

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Average number of spaces available(3) (Tentative Schedule)	1,625	3,300	3,950	3,950	3,950	5,375	5,850	5,850	5,850	5,850	5,850
Average turn per space (base)	135	135	135	135	135	135	135	135	135	135	135
Estimated increase in turnover(4)	0%	0%	25%	25%	30%	30%	30%	30%	40%	40%	40%
Annual turn per space	135	135	170	170	175	175	175	175	190	190	190
Estimated number of parked cars	219,375	445,500	671,500	671,500	691,250	940,625	1,023,750	1,023,7500	1,111,500	1,111,500	1,111,500
Base year revenue per parked car(5)	$3.21	$3.39	$3.59	$3.81	$4.03	$4.28	$4.53	$4.80	$5.09	$5.40	$5.72
Estimated revenue from parking (in $000's)	$704.2	$1,508.8	$2,410.5	$2,555.1	$2,788.1	$4,021.6	$4,639.6	$4,918.0	$5,659.9	$5,999.5	$6,359.5
Estimated parking expenses(6) (in $000's)	322.0	492.4	683.7	724.7	784.1	1,043.7	1,181.5	1,252.3	1,416.6	1,501.6	1,591.7
Net income from parking (in $000's)	$382.2	$1,016.3	$1,726.8	$1,830.4	$2,004.0	$2,977.9	$3,458.1	$3,665.6	$4,243.3	$4,497.9	$4,767.8

(1)Source: CNEA

(2)The anticipated increase in turn per space in 1983 relative to prior years reflects: a) an increase in the non-CNE period usage of the facilities, and b) the occurrence of approximately 30 concerts at the bandshell which did not occur in the previous years presented.

(3)Source: The Construction Schedule.

(4)Due to increase in usage of facilities, factor considers: 1) increase in number of exhibitions as new facilities become available, and 2) operation of a domed stadium.

(5)Annual revenues per parked car reflect estimated inflation rates as listed in Appendix XIII. Amounts have been rounded to the nearest cent.

(6)Parking expenses are projected as 25% fixed and 75% variable and are based on the 1983 CNEA budget which estimates total parking expenses to be $679,000.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

20. CNE Revenues

The 1983 budget reflects total CNE revenues from all sources to be $12,961,000 (see Appendix XV), which is $18.78 per square foot available. This amount is inflated at the estimated annual CPI rate throughout the forecast period (see Appendix XIII).

21. CNE Expenditures

The 1983 budget reflects total CNE related expenditures to be $9,115,000 (see Appendix XV for detailed makeup of this amount), which is $13.21 per square foot available. This amount is inflated at the estimated annual CPI rate throughout the forecast period.

NOTES AND ASSUMPTIONS RELATING TO HOTEL AND TRADE MART OPERATIONS

22. Net Hotel Revenues

Current plans include the development of a 300-room hotel on the CNE grounds which would be constructed, financed, and operated by private concerns and generate a net revenue stream under a land lease arrangement. All operating costs would be paid for by the operator. The hotel is not expected to be completed until 1991. Projected net revenues are based on the current hotel market around downtown Toronto, adjusted for inflation estimate. Factors considered include lease rates, occupancy levels, operating profits and costs, and anticipated returns from room rental, restaurants, and beverages.

EXHIBITION PLACE
SUMMARY OF SIGNIFICANT NOTES AND ASSUMPTIONS TO PROJECTED STATEMENTS OF OPERATIONS

23. Net Trade-Mart Revenues

The existing Automotive Building is expected to be converted to a 200,000 square foot Trade Mart opening in 1991. The facilities will be operated by a private concern, and net lease revenue is expected to be approximately $3.00 per square foot (in 1983 dollars). Projected revenues are based primarily on experience of the Brussels Trade Mart and other trade mart facilities.

NOTES AND ASSUMPTIONS RELATING TO OTHER SOURCES AND USES OF CASH

24. Total Operating Gain Before Depreciation, Construction Costs and Debt Service

This amount represents the summation of net operating revenues and losses (by year) of the seven operating categories detailed in the report.

25. Construction Costs

Amounts included represent capital cost estimates in 1983 tender dollars inflated to current dollars by the rates listed in Appendix XIII. Exhibit 37 in Chapter IV of the report displays the timing and costs of each component of the project.

ESTIMATED CONSUMER PRICE INDICES AND ESCALATION ESTIMATES

Year	Consumer Price Index	Fuel Costs	Construction
1983	6.0%	7.0%	6.0%
1984	5.0	6.0	5.9
1985	5.5	6.5	6.5
1986	6.0	7.0	6.5
1987	6.0	7.0	6.5
1988	6.0	7.0	6.5
1989	6.0	7.0	6.5
1990	6.0	7.0	6.5
1991	6.0	7.0	6.5
1992	6.0	7.0	6.5
1993	6.0	7.0	6.5
1994	6.0	7.0	6.5

Source: Currie, Coopers & Lybrand,s Economics Group, June, 1983

APPENDIX XIV

McCORMICK PLACE OPERATING BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 1983

METROPOLITAN FAIR AND EXPOSITION AUTHORITY
PROFIT AND LOSS STATEMENT
MCCORMICK PLACE (EXCLUSIVE OF DONNELLEY HALL)
FOR THE FISCAL YEAR JULY 1, 1982 - JUNE 30, 1983

Gross Operating Income	
Exhibits	$ 6,197,136
Exhibitor services	6,439,560
Theatre	778,600
Meeting rooms	152,387
Food and beverage	1,800,250
Miscellaneous	296,960
	15,664,893
Event Expenses	
Exhibits	1,165,965
Exhibitor services	5,140,605
Theatre	690,118
Meeting rooms	134,798
Food and beverage	100,800
	7,232,286
Gross Profit	
Exhibits	5,031,171
Exhibitor services	1,298,955
Theatre	88,482
Meeting rooms	17,589
Food and beverage	1,699,450
Miscellaneous	296,960
	8,432,607
Other Expenses	
General and administrative	1,538,724
Marketing and promotions	65,000
Safety and security	1,056,765
Maintenance and operations	5,847,044
Housekeeping	1,016,349
Servicenter	24,783
	9,548,665
Net Profit (Loss)(1)	$(1,116,058)

(1)Excludes income and expenses relating to parking which generates a profit.

Source: McCormick Place, Chicago, Illinois

ALLOCATION OF CNE/NON-CNE COSTS PREPARED BY THE CNE ASSOCIATION

EXPENSES

PAGE	DEPARTMENT	CNE	NON-CNE
1	General Manager	$ 292,798	$ 133,195
2	Corporate Secretary	280,791	96,073
3	Archives	48,768	
4	Finance and Administration	576,681	360,120
5	Purchasing	71,693	47,795
6	Stores	36,959	24,639
7	Personnel	68,261	45,508
8	Parking and Traffic	267,404	678,978
9	Accounting	275,498	202,942
10	Mailroom	96,811	60,842
11	Telephone Services	88,495	65,501
12	Admissions	509,028	
13	Midway	175,600	
		2,788,787	1,715,593
14	A.G.M. - Marketing	81,477	69,151
15	Sales	40,500	94,499
16	East End Administration	135,052	57,879
17	Agriculture	861,400	
18	East End - CNE	98,600	
19	East End - PMD		729,000
20	Attractions Administration	208,857	29,551
21	Entertainment	717,019	
22	Attractions	437,930	27,500
23	Sports	747,670	
24	Marketing Research	61,024	30,942
25	West End - CNE	699,200	46,200
26	West End - PMD		100,000
27	Advertising and Publicity	918,583	200,000
28	Visitor Services	161,715	
29	Air Show	315,000	
		5,484,027	1,384,722
30	Special Appropriations	555,556	1,000,608
31	A.G.M. - Operations	80,644	163,732
32	Physical Plant Maintenance	334,651	704,443
33	Electrical and Mechanical Maintenance	328,991	667,950
34	Loss Prevention and Comm.	89,291	181,288
35	Engineering	36,166	73,429
36	Cleaning	270,224	575,791
37	Show Services	486,105	486,106
38	Fair Period	2,010,931	
39	Utilities	489,430	1,247,730
41	Recoveries	(1,469,630)	(648,400)
42	Miscellaneous	36,016	73,124
		3,248,375	4,525,801
		$11,521,189	$7,626,116

Source: Canadian National Exhibition Association.

CNEA 1983 BUDGET
PROPOSED ALLOCATION - CNE/NON-CNE

EXPENSES

PAGE	DEPARTMENT	CNE	NON-CNE
40	Operations	$ 227,447	$1,966,732
43	Administration	6,768,226	2,598,244
44	Sales	1,211,611	
45	Agriculture	672,000	
46	Entertainment	81,500	
47	Attractions	2,500,000	280,000
48	W.E. Non-CNE		215,470
49	E.E. Non-CNE		1,939,230
50	Catalogues and Lottery	80,000	
51	W.E. - CNE	1,620,074	
		13,160,858	6,999,676
	Less Expenses	(11,521,189)	(7,626,116)
		$ 1,639,669	$ (626,440)

Source: Canadian National Exhibition Association.

CNEA 1983 BUDGET
PROPOSED CNE/NON-CNE BREAKDOWN

PERCENTAGES

BUDGET PAGE	DEPARTMENT	ITEM	% CNE	% NON-CNE
1	General Manager	Contingency	100	
		Consultants	70	30
		Remainder	30	70
2	Corporate Secretary	Corporate Secretary	50	50
	CNEA		100	
	Board of Governors		30	70
3	Archives	All	100	
4	Fin. and Admin.	Concessions Audit	100	
		Lottery Audit	100	
		Remainder	60	40
5	Purchasing	All	60	40
6	Supply	All	60	40
7	Personnel	All	60	40
8	Parking	Exhibition Period	100	
		Salaries - Perm.	25	75
		Remainder		100
9	Accounting	Salaries	- FORMULA	
		Bad Debts	90	10
		Remainder	60	40
10	Mailroom	Salaries	50	50
		Postage	70	30
		Remainder	60	40
11	Telephone	Salaries - Temp.	100	
		Remainder	60	40
12	Admissions	All	100	
13	Midway	All	100	
14	A.G.M. - Mktg.	Promotion/Awards	100	
		Consultant	30	70
		Remainder	60	40
15	Sales	All	30	70
16	East End Admin.		70	30

Source: Canadian National Exhibition Association.

CNEA 1983 BUDGET
PROPOSED CNE/NON-CNE BREAKDOWN
PERCENTAGES

BUDGET PAGE	DEPARTMENT	ITEM	% CNE	% NON-CNE
17	Agriculture	All	100	
18	E.E. Bldg. CNE	All	100	
19	E.E. Bldg. Non-CNE	All		100
20	ESA Admin.	Salaries	80	20
		Remainder	100	
21	Entertainment	All	100	
22	Attractions	Summer Midway		100
		Remainder	100	
23	Sports	All	100	
24	Mktg. Research	Salaries - Perm.	60	40
		Salaries - Temp.	100	
		Travel	60	
		Ex. Survey	100	
		Focus Group	100	
		Bldg. Study	100	
		Computer Time	60	40
		Remainder		100
25	West End CNE	Salaries - Perm.	70	30
		Remainder	100	
26	W.E. Non-CNE			100
27	Adv. & Publicity	Media Adver.	- FORMULA	
		Remainder	100	
28	Visitor Services	All	100	
29	Air Show	All	100	
30	Special Approp.	All	- FORMULA	
31	A.G.M. - Operations	All	33	67
32	Plant Mtce.	Snow Removal		100
		Remainder	33	67
33	Electrical & Mechanical Mtce.	All	33	67
34	Loss Prevention & Communications	All	33	67

Source: Canadian National Exhibition Association.

CNEA 1983 BUDGET
PROPOSED CNE/NON-CNE BREAKDOWN

PERCENTAGES

BUDGET PAGE	DEPARTMENT	ITEM	% CNE	% NON-CNE
35	Engineering	All	33	67
36	Cleaning	Pesticide	100	
		Trade Shows		100
		Remainder	33	67
37	Show Services	All	50	50
38	Fair Period	All	100	
39	Utilities	Natural Gas	6	94
		Electrical	33	67
		Water	50	50
40	Operations Revenues	Hydro - Concessions	100	
		Street Lights	33	67
		Concession Services	100	
		Misc. Services CNE	100	
		Capital Co-ord.	33	67
		Misc. Recoveries	100	
		Remainder		100
41	Recoveries	Ex. Place		100
		Remainder	100	
42	Misc. Accounts	All	33	67
43	Admin. Revenues	CNE	100	
		Non-CNE		100
44	Sales	All	100	
45	Agriculture	All	100	
46	Entertainment	All	100	
47	Attractions	Concessions	100	
		Lic. Restaurants	100	
		Remainder		100
48	W.E. Non-CNE	All		100
49	E.E. Non-CNE	All		100
50	Cat. & Lottery	All	100	
51	W.E. CNE	All	100	

Source: Canadian National Exhibition Association.

CNEA 1983 BUDGET
PROPOSED CNE/NON-CNE BREAKDOWN

Salaries Permanent

		STAFF	CNE/ NON-CNE	TOTAL SALARIED	NON-CNE PORTION
1	General Manager	2	33/70	$ 106,393	$ 74,475
	Consultant	1	70/30	60,000	18,000
2	CorporateSecretary	4	50/50	110,729	55,364
4	Finance & Administration	3	60/40	123,974	49,590
5	Purchasing	2	60/40	39,815	15,926
5	Contract Personnel	1	60/40	38,525	15,410
6	Supply & Stores	2	60/40	51,231	20,492
7	Personnel	3	60/40	84,099	33,640
8	Parking & Traffic	4	25/75	111,251	83,438
9	Accounting - A	5	40/60	96,751	58,051
	Accounting - B	8	60/40	214,034	85,614
11	Telephone Services	2	40/60	35,286	21,172
14	A.G.M. Marketing	2	60/40	99,528	39,811
	Catering Consultant	1	30/70	33,000	23,100
15	Sales	4	30/70	107,699	75,389
16	East End Admin.	4	70/30	119,130	35,739
20	Attractions Admin.	4	80/20	147,753	29,551
24	Market Research	1	60/40	33,656	13,462
27	Advertising & Publicity	2	80/20	75,633	15,127
31	A.G.M. Operations	4	33/67	125,875	84,336
32	Physical Plant Mtce.	1	33/67	36,716	24,238
33	Electrical & Mech. Mtce.	2	33/67	67,392	45,153
34	Loss Prevention & Comm.	3	33/67	83,557	55,983
35	Engineering (Contracted)	1	33/67	46,805	31,359
36	Cleaning	3	33/67	75,315	50,461
37	Show Services	5	33/67	105,243	70,513
		74		$2,229,390	$1,125,394

Salaries Temporary

		STAFF	CNE/ NON-CNE	TOTAL SALARIED	NON-CNE PORTION
31	A.G.M. Operations	1	33/67	21,180	14,190
32	Physical Plant Mtce.	22	33/67	740,721	496,283
33	Electrical & Mech. Mtce.	11	33/67	377,566	252,969
35	Engineering	2	33/67	43,290	29,004
36	Cleaning Services	33	33/67	711,716	476,850
37	Show Services	23	33/67	753,980	376,990
				$2,648,453	$1,646,286

Source: Canadian National Exhibition Association.

EXISTING DOMED SPORTS FACILITIES
SOURCES OF CONSTRUCTION FUNDS
in ($000,000)

	Pontiac Silverdome Pontiac, Michigan		Seattle Kingdome Seattle, Washington		New Orleans Superdome New Orleans, Louisiana		British Columbia Place Vancouver, British Columbia		Minneapolis Metrodome Minneapolis, Minnesota		Hawkeye Sports Arena State University of Iowa Iowa City, Iowa		Syracuse University Syracuse, New York		Indianapolis Hoosierdome Indianapolis, Indiana		Dakota Dome University of South Dakota Vermillion, South Dakota	
Year Completed	1975		1976		1975		1983		1983		1982		1980		1984 (estimated)		1979	
Funding Source	$$-U.S.	%	$$-U.S.	%	$$-U.S.	%	$$-Canadian	%	$$-U.S.	%	$$-U.S.	%	$$-U.S.	%	$$-U.S.	%	$$-U.S.	%
Debentures	$ 47.95	86.1%	$40.00	59.4%	$ 137.75	84.5%			$55.00	90.7%	$14.25	58.6%			$47.25	62.0%		
Less issue costs and revenue	(1.05)	(1.9)	(1.58)	(2.5)	(4.75)	(2.9)			(3.98)	(6.6)	(1.64)	(6.7)			(13.69)	(18.0)		
Net debentures	46.90	84.2	38.32	56.9	133.00	81.6			51.02	84.1	12.61	51.9			33.56	44.0		
Specific fund raising drive													$13.00	46.4				
Grants, donations, and contributions from outside sources			.99	1.5			$ 50.00	39.7%	.30	0.5	11.70	48.1	15.00	53.6	29.10	38.2	$5.2	72.2%
Interest during construction	8.00	14.4	7.44	11.0	30.00	18.4			8.59	14.2					7.97	10.4		
Private debt			7.04	10.4			76.00	60.:										
Lawsuit			13.58	20.2														
Presales of VIP boxes and seat assignments																	2.0	27.8
Cashflow from operations of existing fee									.70	1.2								
Racetrack revenues	.80	1.4																
Interfund transfers															5.61	7.4		
	$ 55.70	100.0%	$67.37	100.0%	$ 163.00	100.0%	$ 126.00	100.0%	$60.61	100.0%	$24.31	100.0%	$28.00	100.0%	$76.24	100.0%	$7.2	100.0%

APPENDIX XVII

OPERATING RESULTS OF EXISTING DOMED STADIUMS

ACCOUNT	Kingdome(1)		Superdome(2)		Silverdome(3)		Metrodome(4)	
	$ Amount	% of Total Operating Revenue	$ Amount	% of Total Operating Revenue	$ Amount	% of Total Operating Revenue	$ Amount	% of Total Operating Revenue
Stadium Rentals	$1,907,000	29.3%	$1,689,000	22.8%	$2,706,000	43.6%	$1,257,800	21.8%
User Fees	-	-	-	-	-	-	1,698,000	29.4
Concessions	1,845,000	28.3	1,013,000	13.7	1,076,000	17.4	1,193,000	20.6
Reimbursement for services to tenants	1,262,000	19.4	1,354,000	18.3	819,000	13.2	500,000	8.6
VIP boxes			700,000	9.5	790,000	12.7	440,000	7.6
Parking	996,000	15.3	1,604,000	21.7	809,000	13.1	218,250	3.8
Other operating revenue	507,000	7.7	1,033,000	14.0			475,250	8.2
Total operating revenue	6,517,000	100%	7,393,000	100%	6,200,000	100%	5,782,300	100%
Net personnel expenses	3,470,000	53.2	4,750,000	64.2	1,487,000	24.0	864,700	14.9
Other employee benefits	-	-	-	-	-	-	-	-
Materials and supplies	237,000	3.6	-	-	110,000	1.8	97,000	1.7
Contract services	540,000	8.3	3,458,000	46.8	1,419,000	22.9	801,600	13.9
Repairs and maintenance	31,000	0.5	995,000	13.5	354,000	5.7	33,000	0.5
Internal services	255,000	3.9	-	-	523,000	8.4	353,000	6.1
Utilities	290,000	4.5	2,134,000	28.8	1,023,000	16.5	1,184,000	20.5
Miscellaneous	-	-	-	-	127,000	2.1	-	-
Operating expenses before depreciation and amortization	4,823,000	74.0	11,337,000	153.3	5,043,000	81.4	3,333,300	57.6
Net operating income (loss) before depreciation and amortization	$1,694,000	16.0%	$(3,944,000)	(53.3%)	$1,157,000	18.6%	$2,449,000	42.4%

(1)Fiscal Year 1981 Operating Results. Source: Management, Seattle Kingdome.
(2)Fiscal Year 1981 Operating Results. Source: Management, Louisiana Superdome.
(3)Fiscal Year 1981 Operating Results. Source: Management, Detroit Silverdome.
(4)This facility commenced operations in March 1982. The amounts here reflect estimated first year operating results. Source: Metropolitan Sports Facilities Commission.

ANALYSIS OF PRIVATE FINANCING AS A FUNDING SOURCE

The following matters must be addressed in determining the feasibility of private financing for any component of the project:

a) This form of financing should make economic sense. In other words, private financing should be cheaper for the CNE than financing through issuance of municipal debentures or other available public funding sources.

b) An adequate return on investment to the equity investors must be feasible in order to attract private capital.

c) Private investors will be investing funds with a profit motive exclusive of tax benefits.

d) Revenues and expenses from a specific component of the project must be readily identifiable in order to consider private financing for that component.

e) A privately financed component of the project must become profitable over a period of years. Ten years is a reasonable bench mark to use for this purpose.

f) During early years of the project which produce negative cash flows, a level of government will have to subsidize cash shortfalls through residual receipt notes. These loans will be paid back when the project begins to generate cash.

The only component of this project which can realistically be separated from the rest of the project for purposes of analyzing the feasibility of private financing is the proposed domed sports complex. The data available on all other components of the project prohibit specific revenue and expense identification.

Our analysis indicates that private financing is not a viable financing method for the domed stadium. The main reason for this is that projected net operating revenues are insufficient to generate positive cash flows (after debt service). Exhibits 1 and 2 in this Appendix detail our analysis.

The assumptions used are general guidelines that we have developed based on previous real estate projects which considered private financing. Although these assumptions should not be considered as the only possible structure for private financing of the stadium, the conclusion drawn will remain the same for virtually any set of realistic assumptions using private financing.

Exhibit 1 in this Appendix represents financing consisting of 20 percent equity and 80 percent debt. While the return on investment (ROI) to the equity investors is adequate, the cash shortfall after debt service is actually increasing each year. This is evidenced in the analysis by increasing residual receipt note requirements.

Exhibit 2 in this Appendix represents financing consisting of 50 percent equity and 50 percent debt. Under these assumptions, the ROI averages 7 percent, which is an inadequate return on an investment of this nature. Further, the annual cash flow continues to remain over $5.5 million negative through 1994, indicating insufficient net operating revenues to support this financing structure.

EXHIBIT 1
ANALYSIS OF DOMED STADIUM PRIVATE FINANCING
(in 000's Current $)

Assumptions Used

Total construction costs	$148,260
Percent private equity financing	20.00%
Percent debt financing	80.00%
Annual interest rate on debt issued	11.50%
Annual interest rate residual receipt notes	12.00%
Tax rate	50.00%
Term on debt issued	25

Depreciation Schedule

	1987	1988	1989	1990	1991	1992	1993	1994
Depreciation method, 5% declining balance:								
Depreciation factors	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Annual depreciation, total construction costs	7,413	7,042	6,690	6,356	6,038	5,736	5,449	5,177

Statement of Income

	1987	1988	1989	1990	1991	1992	1993	1994
Operating income before depreciation and debt service	$ 4,655	$ 5,405	$ 5,741	$ 7,421	$ 7,708	$ 8,056	$ 8,409	$ 8,800
Depreciation	7,413	7,042	6,690	6,356	6,038	5,736	5,449	5,177
Interest on long-term debt	13,640	13,529	13,406	13,269	13,116	12,945	12,755	12,542
Interest on residual receipt notes	635	2,613	4,177	5,813	7,450	9,345	11,450	13,728
Net taxable income (loss)	$(17,033)	$(17,779)	$(18,532)	$(18,017)	$(18,896)	$(19,970)	$(21,245)	$(22,647)

Cash Flow Statement

	1987	1988	1989	1990	1991	1992	1993	1994
Net taxable income (loss)	(17,033)	(17,779)	(18,532)	(18,017)	(18,896)	(19,970)	(21,245)	(22,647)
Add depreciation	7,413	7,042	6,690	6,356	6,038	5,736	5,449	5,177
Less principal on long-term debt	(960)	(1,071)	(1,194)	(1,331)	(1,485)	(1,655)	(1,846)	(1,110)
Cash flow after debt service	(10,580)	(11,808)	(13,036)	(12,992)	(14,343)	(15,889)	(17,642)	(18,580)
Additional cash needed (residual receipt notes)	10,580	11,808	13,036	12,992	14,343	15,889	17,642	18,580
Net cash flow	-	-	-	-	-	-	-	-

Analysis of Return to Limited Partners

	1987	1988	1989	1990	1991	1992	1993	1994
Net cash flow	0	0	0	0	0	0	0	0
Estimated income tax savings	8,517	8,890	9,266	9,009	9,448	9,985	10,623	11,324
Total cash flow and tax savings	$ 8,517	$ 8,890	$ 9,266	$ 9,009	$ 9,448	$ 9,985	$ 10,623	$ 11,324
Equity contribution	29,652							
Annual ROI	28.72%	29.98%	31.25%	30.38%	31.86%	33.68%	35.82%	38.19%

EXHIBIT 2
ANALYSIS OF DOMED STADIUM PRIVATE FINANCING
(in 000's Current $)

Assumptions Used

Total construction costs	$148,260
Percent private equity financing	50.00%
Percent debt financing	50.00%
Annual interest rate on debt issued	11.50%
Annual interest rate residual receipt notes	12.00%
Tax rate	50.00%
Term on debt issued	25

Depreciation Schedule

	1987	1988	1989	1990	1991	1992	1993	1994
Depreciation method, 5% declining balance:								
Depreciation factors	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Annual depreciation, total construction costs	7,413	7,042	6,690	6,356	6,038	5,736	5,449	5,177

Statement of Income

	1987	1988	1989	1990	1991	1992	1993	1994
Operating income before depreciation and debt service	$ 4,655	$ 5,405	$ 5,741	$ 7,421	$ 7,708	$ 8,056	$ 8,409	$ 8,800
Depreciation	7,413	7,042	6,690	6,356	6,038	5,736	5,449	5,177
Interest on long-term debt	8,525	8,456	8,379	8,293	8,197	8,091	7,972	7,839
Interest on residual receipt notes	285	1,148	1,755	2,321	2,746	3,264	3,806	4,332
Net taxable income (loss)	$(11,568)	$(11,241)	$(11,083)	$ (9,549)	$ (9,273)	$ (9,035)	$ (8,818)	$ (8,548)

Cash Flow Statement

	1987	1988	1989	1990	1991	1992	1993	1994
Net taxable income (loss)	(11,568)	(11,241)	(11,083)	(9,549)	(9,273)	(9,035)	(8,818)	(8,548)
Add depreciation	7,413	7,042	6,690	6,356	6,038	5,736	5,449	5,177
Less principal on long-term debt	(600)	(669)	(746)	(832)	(928)	(1,035)	(1,154)	(694)
Cash flow after debt service	(4,755)	(4,868)	(5,139)	(4,025)	(4,163)	(4,334)	(4,523)	(4,065)
Additional cash needed (residual receipt notes)	4,755	4,868	5,139	4,025	4,163	4,334	4,523	4,065
Net cash flow	-	-	-	-	-	-	-	-

Analysis of Return to Limited Partners

	1987	1988	1989	1990	1991	1992	1993	1994
Net cash flow	0	0	0	0	0	0	0	0
Estimated income tax savings	5,784	5,621	5,542	4,775	4,637	4,518	4,409	4,274
Total cash flow and tax savings	$ 5,784	$ 5,621	$ 5,542	$ 4,775	$ 4,637	$ 4,518	$ 4,409	$ 4,274
Equity contribution	74,130							
Annual ROI	7.80%	7.58%	7.48%	6.44%	6.25%	6.09%	5.95%	5.77%

A DESCRIPTION OF THE TWO INPUT OUTPUT MODELS USED

1. Statistics Canada's National Model

In simple terms, an input-output model is an integrated framework of economic statistics which allows for the tracing of the interdependence between various sectors and industries. It establishes these inter-relationships in a relative sense, so the output is equally applicable to present and future activity. In applying the output, unadjusted, to future activity, however, it must be assumed that no factor substitution will occur as a result of either relative price changes or productivity/technological improvements.

Statistics Canada's national input output model provides a check on this assumption, in that it operates on the most current data base. This model is based on the input structure prevailing in the national economy in 1978. At the level of detail that is possible at this stage in the development of the concept and our knowledge of changes in the economy, the level of accuracy is considered appropriate.

2. Statistics Canada's Inter-Provincial Model

The inter-provincial input-output model differs from the national model in two ways:

- its input structure is based on conditions prevailing in the economcy in 1974 , and
- its output is disaggregated to each of the provincial economies.

The limitations of a 1974 data base can be offset by comparing the aggregate provincial input to that from the national model, and adjusting for anticipated future changes in productivity.

The strength of the inter-provincial model lies in its capacity to assign the economic impacts to each province and, therefore, to examine the impact on Ontario.

MULTIPLIERS FROM INPUT/OUTPUT ANALYSIS

MULTIPLIERS FOR BENEFITS ACCRUING TO CANADA

		Operating	
	Construction(1)	On-Site (2)	Off-Site(3)
Gross Production ($ millions)			
• direct	1.0	1.0	1.0
• indirect	0.734	0.629	0.709
• induced	0.915	0.733	0.899
	2.649	2.362	2.608
Value Added ($ millions)			
• direct	0.435	0.564	0.568
• indirect	0.351	0.340	0.291
• induced	0.471	0.378	0.463
	1,257	1.282	1.322
Employment (person years/$ millions)			
• direct	15.9	26.4	38.6
• indirect	14.7	15.3	11.1
• induced	19.4	15.5	19.0
	50.0	57.2	68.7
Wages & Salaries ($ millions)	0.82	0.597	0.756
Provincial Government Revenues			

1. Per $1 million of capital expenditures.
2. Per $1 million of on-site expenditures.
3. Per $1 million of off-site expenditures.

MULTIPLIERS FOR BENEFITS ACCRUING TO ONTARIO

		Operating	
	Construction(1)	On-Site (2)	Off-Site(3)
Gross Production ($ millions)			
• direct	1.0	1.0	1.0
• indirect	0.574	0.523	0.709
• induced	0.659	0.532	0.899
	2.233	2.055	2.608
Value Added ($ millions)			
• direct	0.435	0.564	0.568
• indirect	0.275	0.277	0.291
• induced	0.349	0.283	0.463
	1.059	1.124	1.322
Employment (person years/$ millions)			
• direct	15.9	26.4	38.6
• indirect	11.7	13.5	9.1
• induced	14.9	12.1	15.6
	42.5	52.0	63.3
Wages & Salaries ($ millions)	0.737	0.522	0.675

1. Per $1 million of capital expenditures.
2. Per $1 million of on-site expenditures.
3. Per $1 million of off-site expenditures.

POINTS OF ORIGIN AND PATTERNS OF EXPENDITURE

An analysis of points of origin has provided the following estimates:

Type of Event at Exhibition Place	"Visitors" Within 25 Miles Radius	"Visitors" Beyond 25 Mile Radius	Average Length of Stay for "Visitors"
1. Public Shows	60%	40%	
2. Trade Shows	48%	52%	3 days
3. Trade and Public Shows	51%	49%	
4. Entertainment and other events	70%	30%	1 day

Sources: Gladstone report, interviews, projections by Currie, Coopers & Lybrand

MULTIPLIERS FOR BENEFITS ACCRUING TO ONTARIO

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EXPENDITURES BY EXHIBITORS
AVERAGE DAILY EXPENDITURES FOR OUT-OF-TOWN VISITORS AND EXHIBITORS ATTENDING EVENTS AT THE NEW EXHIBITION FACILITIES AT EXHIBITION PLACE

		IN 1983 $	
	Expenditure Category	Average (1,2) Visitor Expenditure	Average (1,2) Exhibitor Expenditure
1.	Accommodation	49	54
2.	Food/Beverage	40	40
3.	Amusement/Recreation	11	12
4.	Service Stations	7	7
5.	Retail Sales/Miscellaneous	26	25
		133	138

Weighted average, visitors and exhibitions = $134.00

Sources:

1. Adapted from 1981 Economic Impact Survey of the International Association of Conventions and Visitors Bureaus for Exhibitions, and Projections by Currie, Coopers & Lybrand.

2. Some visitors will stay with friends and relatives. The effect of this has been reflected in these average spending figures.

Attendance patterns have been forecast for four categories of incremental events at the exhibition facility:

	Total Attendance, Base Year		Total "Out of Town" Attendance (Visitors and Exhibitors Combined) (4)
	Show Delegates/ Audience	Exhibition Personnel	
Public Shows	59,000 (1)	1,000 (3)	24,000
Trade Shows	9,500 (2)	1,500 (3)	5,700
Hybrids: Trade & Public Shows	34,000	1,200	17,200
Entertainment & Other Events	4,000	N/A	1,200

Sources:

1. Based on a survey for the Canadian Association of Exposition Managers of 34 public shows held in Ontario.
2. Based on a survey for the Canadian Association of Exposition Managers of 74 trade shows held in Ontario.
3. Based on the results of interviews with show managers.
4. The total "out-of-town" attendance has been derived by applying the "out-of-town point-of-origin" percentage developed earlier in the appendix to the total attendance.

Two major types of expenditures are made by exhibitions:

1. The cost of accommodation and subsistence for staff and the cost of entertaining customers during exhibitions at Exhibition Place.

2. Cost related to the exhibit itself. These include payments into the business community for the following services:

   - floor space rentals from exhibition organizers
   - electrical contracting
   - stand design
   - contracting
   - audio-visual presentation preparation
   - carpet supply
   - cleaning
   - furniture services
   - insurance
   - model making
   - transport
   - temporary help
   - printing
   - photographic services
   - interpreter services and translation
   - car rentals
   - hotel booking
   - exhibition consultants

ANALYSIS OF PEOPLE EMPLOYED BY JOB FUNCTION AT TRADE/CONSUMER SHOWS

ESTIMATED PERSONS EMPLOYED AT:

PERSONS EMPLOYED BY SHOW MANAGEMENT :	SMALL TRADE SHOW (Under 150 Exhibitors)	LARGE TRADE SHOW (Over 150 Exhibitors)	SMALL CONSUMER (Under 150 Exhibitors)	LARGE CONSUMER (Over 150 Exhibitors)
Show Management Staff	3	4	4	5
Registration Staff	3	12-58		
Security Staff	6	12-36	10	20
Police Officers		1-3		1-3
Accounting Staff			1	1
Public Relations Staff	1	1	1	3
Stage Hands			1	1-3
Information Staff		1	1	2-5
St. John's Ambulance		4	1	5
Hostess Staff		1		1
Photographer	1	1-2	1	1-2
Ticket Takers		3	4	6-8
Ticket Sellers	0	0	2	4
Floor Manager	1	2	1	3
Conference Chairman	1-3	3	0	0
Customs Broker	1	2-10	1	2-10
PERSONS EMPLOYED BY SHOW SERVICE CONTRACTORS				
Show Contractor's Staff	2	3	2	4
Foremen	1	2	1	2-3
Labourers	10	15-35	10	15-35
Truck Drivers	1	1-2	1	1-2
Forklift Drivers	1-2	8-15	1-2	8-15
Carpenters	10	15-25	10	15-25
Display Designers	1-10	10-20	1-10	10-20
Clerical Personnel	1-2	3-5	1-2	3-5
Flower Arranger	1	1-3	1	1-3
Accounting Staff	1	3	1	3

ANALYSIS OF PEOPLE EMPLOYED BY JOB FUNCTION AT TRADE CONSUMER SHOWS

ESTIMATED PERSONS EMPLOYED AT:

PERSONS EMPLOYED BY SHOW SERVICE CONTRACTORS CONT'D :	SMALL TRADE SHOW (Under 150 Exhibitors)	LARGE TRADE SHOW (Over 150 Exhibitors)	SMALL CONSUMER (Under 150 Exhibitors)	LARGE CONSUMER (Over 150 Exhibitors)
Compressed Air	1	3-5	1	1-2
Painters	1-2	4-10	1-2	4-10
Sign Painters	1	1-2	1	1-2
Electricians	5	10-35	1-5	10-35
Plumbers	1	1-2	1	1-2
Telephone installers	2	20	2	20
PERSONS EMPLOYED BY EXHIBITORS :				
Booth Staff	500	3,000-6,000	500	3,000-6,000
Display People	25	1-200	25	1-200
Hostesses	10-20	20-50	10-20	20-50
Truck Drivers	100	100-1,200	100	100-1,200
PERSONS EMPLOYED BY THE FACILITY :				
Building Foremen	1	2	1	2
Security Staff	1-2	2	1-2	2
Maintenance Staff	2	4	2	4
Cleaning Staff	3-5	5-10	3-5	5-10
Concessions Staff	3-5	10-20	3-5	10-20
	694-747	3,492-11,131	736-793	3,295-10,853

ANALYSIS OF PEOPLE EMPLOYED BY JOB FUNCTION AT TRADE CONSUMER SHOWS

PERSONS EMPLOYED BY SHOW MANAGEMENT :	ESTIMATED PERSONS EMPLOYED X NUMBER OF DAYS EMPLOYED SMALL TRADE SHOW (Under 150 Exhibitors)	LARGE TRADE SHOW (Over 150 Exhibitors)	SMALL CONSUMER (Under 150 Exhibitors)	LARGE CONSUMER (Over 150 Exhibitors)
Show Management Staff	3 x 8	4 x 8	4 x 8	4 x 8
Registration Staff	6 x 3	12-58 x 3		
Security Staff	6 x 3	12-56 x 3	10 x 3	20 x 3
Police Officers		1-3 x 3		1-3 x 3
Accounting Staff		2 x 3	1 x 3	1 x 3
Public Relations Staff	1 x 6	1-2 x 6	1 x 6	3 x 6
Stage Hands			1 x 4	1-3 x 4
Information Staff		1 x 3	1 x 3	2-5 x 3
St. John's Ambulance	1 x 6	4 x 6	1 x 6	5 x 6
Hostess Staff		1 x 3		1 x 3
Photographer	1 x 3	1-2 x 3	1 x 3	1-2 x 3
Ticket Takers		3 x 3	6-8 x 3	6-8 x 3
Ticker Sellers		2 x 3	4 x 3	
Floor Manager	1 x 8	2 x 8	1 x 8	3 x 8
Conference Chairman	1-3 x 3	3 x 3		
Customs Brokers	1 x 8	2-10 x 8	1 x 8	2-10 x 8
PERSONS EMPLOYED BY SHOW SERVICE CONTRACTORS				
Show Contractor's Staff	2 x 5	3 x 5	2 x 5	4 x 5
Foremen	1 x 8	2 x 8	1 x 8	2-3 x 8
Labourers	10 x 5	15-35 x 5	10 x 5	15-35 x 5
Truck Drivers	1 x 5	1-2 x 5	1 x 5	1-2 x 5
Forklift Drivers	1-2 x 5	8-15 x 5	1-2 x 5	8-15 x 5
Carpenters	10 x 5	15-25 x 5	10 x 5	15-25 x 5
Display Designers	1-10 x 5	10-20 x 5	1-10 x 5	10-20 x 5
Clerical Personnel	1-2 x 8	3-5 x 8	1-2 x 8	3-5 x 8
Flower Arranger	1 x 2	1-3 x 2	1 x 2	1-3 x 2
Accounting Staff	1 x 3	3 x 3	1 x 3	3 x 3

ANALYSIS OF PEOPLE EMPLOYED BY JOB FUNCTION AT TRADE CONSUMER SHOWS

	ESTIMATED PERSONS EMPLOYED X NUMBER OF DAYS EMPLOYED			
PERSONS EMPLOYED BY SHOW SERVICE CONTRACTORS CONT'D	SMALL TRADE SHOW (Under 150 Exhibitors)	LARGE TRADE SHOW (Over 150 Exhibitors)	SMALL CONSUMER (Under 150 Exhibitors)	LARGE CONSUMER (Over 150 Exhibitors)
Compressed air	1 x 5	3-5 x 5	1 x 5	1-2 x 5
Painters	1-2 x 3	4-10 x 3	1-2 x 3	4-10 x 5
Sign Painters	1 x 3	1-2 x 3	1 x 3	1-2 x 3
Electricians	5 x 5	10-35 x 5	3-5 x 5	10-35 x 5
Plumbers	1 x 5	1-2 x 5	1 x 5	1-2 x 5
Telephone Installers	2 x 5	10 x 5	2 x 5	20 x 5
PERSONS EMPLOYED BY EXHIBITORS:				
Booth Staff	500 x 3	3,000-6,000 x 3	500 x 3	3,000-6,000 x 3
Display People	25 x 3	1-2,000 x 3	25 x 3	1-2,000 x 3
Hostesses	10-20 x 3	20-50 x 3	10-20 x 3	20-50 x 3
Truck Drivers	100 x 2	100-1,200 x 2	100 x 2	100-1,200 x 2
PERSONS EMPLOYED BY THE FACILITY:				
Building Foremen	1 x 8	2 x 8	1 x 8	2 x 8
Security Staff	1-2 x 8	2 x 8	1-2 x 8	2 x 8
Maintenance Staff	2 x 8	4 x 8	2 x 8	4 x 8
Cleaning Staff	3-5 x 8	5-10 x 8	3-5 x 8	5-10 x 8
Concessions Staff	3-5 x 8	10-20 x 8	3-5 x 8	10-20 x 8

ANALYSIS OF PEOPLE EMPLOYED BY JOB FUNCTION AT TRADE CONSUMER SHOWS

ESTIMATED MAND DAYS PER JOB FUNCTION

PERSONS EMPLOYED BY SHOW MANAGEMENT :	SMALL TRADE SHOW (Under 150 Exhibitors)	LARGE TRADE SHOW (Over 150 Exhibitors)	SMALL CONSUMER (Under 150 Exhibitors)	LARGE CONSUMER (Over 150 Exhibitors)
Show Management Staff	24	32	32	40
Registration Staff	9	36-174		
Security Staff	18	36-108	45	85
Police Officers		3-9		3-9
Accounting Staff		6	3	3
Public Relations Staff	6	12	6	18
Stage Hands			4	4-12
Information Staff		3	3	6-15
St. John's Ambulance	6	24	6	30
Hostess Staff		3		3
Photographer	3	3-6	3	3-6
Ticket Takers		9	12	18-24
Ticker Sellers			6	12
Floor Manager	8	16	8	24
Conference Chairman	3-9	9		
Customs Brokers	8	16-80	8	16-80
PERSONS EMPLOYED BY SHOW SERVICE CONTRACTORS				
Show Contractor's Staff	10	15	10	20
Foremen	8	16	8	16-24
Labourers	50	75-175	50	75-175
Truck Drivers	5	5-10	5	5-10
Forklift Drivers	5-10	40-75	5-10	40-75
Carpenters	50	75-125	50	75-125
Display Designers	5-50	50-100	5-50	50-100
Clerical Personnel	8-16	24-40	8-16	24-40
Flower Arranger	2	2-3	2	2-6
Accounting Staff	3	9	3	9

ANALYSIS OF PEOPLE EMPLOYED BY JOB FUNCTION AT TRADE CONSUMER SHOWS

	ESTIMATED MAN DAYS PER JOB FUNCTION			
PERSONS EMPLOYED BY SHOW SERVICE CONTRACTORS CONT'D	SMALL TRADE SHOW (Under 150 Exhibitors)	LARGE TRADE SHOW (Over 150 Exhibitors)	SMALL CONSUMER (Under 150 Exhibitors)	LARGE CONSUMER (Over 150 Exhibitors)
Compressed air	5	15-25	5	5-10
Painters	3-6	12-30	3-6	10-50
Sign Painters	3	3-6	3	5-10
Electricians	3+25	9+50-175	20-30	59-184
Plumbers	5	10	5	5-10
Telephone Installers	10	100	10	100
PERSONS EMPLOYED BY EXHIBITORS :				
Booth Staff	1,500	9,000-18,000	1,500	9,000-18,000
Display People	75	3-600	75	3-600
Hostesses	30-60	60-150	300-600	60-150
Truck Drivers	200	200-2,400	200	200-2,400
PERSONS EMPLOYED BY THE FACILITY :				
Building Foremen	8	16	8	16
Security Staff	8-16	16	8-16	16
Maintenance Staff	16	32	16	32
Cleaning Staff	24-40	40-80	24-40	40-80
Concessions Staff	24-40	80-160	24-40	80-160
	2,180-2,317	10,228-22,931	2,489-2,900	10,222-22,760

APPENDIX XXIV

POTENTIAL NET REVENUES FROM A HOTEL AT EXHIBITION PLACE OPERATED BY A PRIVATE-SECTOR FIRM

Initial indications from discussions with real estate specialists and executives from major hotel companies are that a first class hotel could be a viable part of a re-developed Exhibition Place, if rapid transit to the site were available. Assuming a 300-room hotel, we have calculated the gross revenues from room, board and beverage sales to be as follows:

	Year 1	Year 2	Year 3	Year 4
		('000's dollars)		
Room Revenue	6,570	7,110	7,640	7,640
Food Revenue	3,280	3,550	3,820	3,820
Beverage Revenue	3,280	3,550	3,820	3,820

Based on the experience with other projects, (e.g., in San Diego), we suggest the following formula for tentatively calculating the revenues which would accrue to Exhibition Place for the rights to have a hotel constructed on the site:

7% of room revenue

3% of food revenue

5% of beverage revenue

The calculation for the annual payment to Exhibition Place provides the following results:

	Year 1	Year 2	Year 3	Year 4
		('000's dollars)		
7% of room revenue	460	498	535	535
3% of food revenue	98	107	115	115
5% of beverage revenue	164	178	191	191
	722	783	841	841

EXCISE TAXES

Excise taxes have been used to fund debt service payments at several existing domed stadium locations. The following discussion identifies general information on excise taxes at these locations.

Louisiana Superdome, New Orleans, Louisiana

(Hotel Occupancy Tax)

The Louisiana Stadium and Exposition district has levied and collected a tax on the occupancy of hotel and motel rooms within Orleans and Jefferson parishes since August 1, 1967. The annual tax rate was 4-1/2 percent through July 31, 1970 and 4 percent through November 1, 1976. Currently its is 4 percent. The tax is applied to the rent or fee charged for occupying a hotel or motel room within the district. Each operator of any hotel or motel within the district is required to collect the tax from the occupant of a room at the time of payment of the room rent or fee. The revenues are to be paid monthly to the Collector of Revenue of the state for the account of the district, net of a 2% collection fee retained by the operator. The collector is required to remit tax collections to the district which, in turn, pays amounts so collected to the Bond Fund Trustees for deposit in the bond fund. If the proceeds of the Hotel Occupancy Tax collected during any fiscal year were to exceed the debt service on the bonds occurring in that fiscal year, the excess would not be available for the payment of debt service on the bonds in future fiscal years.

The ordinance of the district levying the tax imposes interest charges and penalties for failure to collect the tax or to remit it. The Act and the Basic Bond Resolution provide that the Hotel Occupancy Tax may not be discounted or decreased so long as any of the bonds issued under the Basic Bond Resolution are outstanding.

The following table reflects actual excise taxes collected during the years 1967 through 1982:

Year	Amount (U.S. current $$)
1967 (5 mos.)	$ 533,000
1968	1,580,000
1969	1,812,000
1970	1,919,000
1971	1,959,000
1972	2,283,000
1973	2,703,000
1974	2,830,000
1975	3,019,000
1976	3,716,000
1977	4,659,000
1978	5,704,000
1979	6,763,000
1980	7,619,000
1981	8,644,000
1982	9,141,000

(Fiscal Year End - June 30)

Seattle Kingdome, Seattle, Washington
(Hotel Occupancy Tax)

Two percent of the 6 percent sales tax on hotel/motel accommodation goes to pay debt service. If the revenue generated by this 2 percent is not enough to meet the required payment, the remainder comes from property taxes collected from King County residents. Currently, debt payments are being met by the 2 percent hotel/motel tax.

The following table reflects excise taxes collected during the years 1968 through 1981:

Year	Amount (U.S. current $$)
1968	$ 467,000
1969	487,000
1970	391,000
1971	618,000
1972	478,000
1973	438,000
1974	902,000
1975	868,000
1976	1,032,000
1977	1,242,000
1978	1,529,000
1979	1,787,000
1980	2,433,000
1981	2,622,000

Hubert H. Humphrey Metrodome, Minneapolis, Minnesota
(Liquor Tax and Hotel/Motel Tax)

The city of Minneapolis imposes a sales tax upon the gross receipts from all retail on-sale intoxicating liquor and fermented malt beverages when sold at licensed on-sale liquor and municipal liquor stores located within the City and a sales tax on the gross receipts from the furnishing for consideration of lodging for a period of less than 30 days at a hotel, motel, etc., within Minneapolis.

On or before October 15 of each year, the Metropolitan Council is required to establish the "City Tax Requirement" for the next calendar year. The City Tax Requirement is the revenues which are determined by the Metropolitan Council from year to year to be required, together with revenues available to the Commission, to pay all debt service on bonds and all expenses of operation, maintenance, and administration of the Dome, including reserve for debt service and expenses. Once the dollar amount for the "City Tax Requirement" is determined, the City is required to set the rate or rates of the liquor tax or the hotel/motel tax, or both, so that the estimated net tax proceeds from such sales taxes will equal the City Tax Requirement. These tax proceeds are allocated to the Bond Fund - Debt Service Account.

The following table reflects liquor and hotel/motel taxes collected during the years 1980 through 1983.

Year	Amount (U.S. current $$)
1980 (5 mos.)	$ 931,000
1981	2,905,000
1982	2,977,000
1983	3,115,000

(Fiscal Year End - February 28)

(Admissions Tax)

Section 12 of the Stadium Act required that, effective January 1, 1978, all admissions to events at either Met Stadium or Met Sports Center be subject to a 3 percent admissions tax. This was in effect through May 25, 1979, at which time the admissions tax was repealed on activities at Met Sports Center. Commencing with operation of the Dome, the Commission imposed an additional 7 percent admissions tax on all events at the Dome. The tax is intended for use by the Commission as a source of revenue to pay current operating expenses and, to the extent available, debt service.

Hoosierdome, Indianapolis, Indiana

This facility is estimated to be completed in 1984. The following discussion relates to excise taxes levied to finance the project.

(5 Percent County Hotel Occupancy Tax)

This tax is levied within Marion County on every person engaged in the business of renting or furnishing, for periods of less than 30 days, any rooms, lodgings, or accommodations in hotel, motels, etc. The 5 percent is in addition to the state gross retail tax.

The tax is imposed, paid, and collected in the same manner as the Indiana Gross Retail Tax. It is remitted to the state less a 1 percent collection fee.

(1 Percent County Food and Beverage Tax)

The 1 percent gross retail revenue tax began July 1, 1981, and includes any transaction in which food or beverage (including alcoholic beverages) is furnished, prepared, or served in all restaurants, cafeterias, takeouts, etc. Sales exempt from the overall sales tax (by private, not-for-profit organizations and through vending machines) are excluded from the 1 percent food and beverage tax.

This tax will terminate on January 1 of the second year immediately following the year during which the last of the bonds or notes issued before January 1, 1986, and any bonds issued to refund such bonds or notes have been completely retired.

(5 Percent County Admission Tax)

Imposed for the privilege of attending any professional sporting event held in a facility financed in whole or in part by bonds or notes issued under the "Act" (IC 18-4-7). It is remitted to the Department of State Revenue and paid monthly to the Board.

(Cigarette Tax)

Indiana Code 6-7 imposes certain taxes upon the sale of cigarettes. Of the amount of taxes collected, two-sevenths is deposited into the "cigarette tax fund", seventh-ninths of which is appropriated annually to cities, towns, and other local units of the state. Marion County receives a portion of the amount based upon statutory allocation formulas.

The first option in addition to those discussed above is government loans or grants. It is clear from the analysis in this section that grants could be in the order of magnitude of 60 to 80 percent of the total capital costs. Such grants would allow other financing options to be explored on the balance of the capital costs.

POOR

QUALITY

ORIGINAL